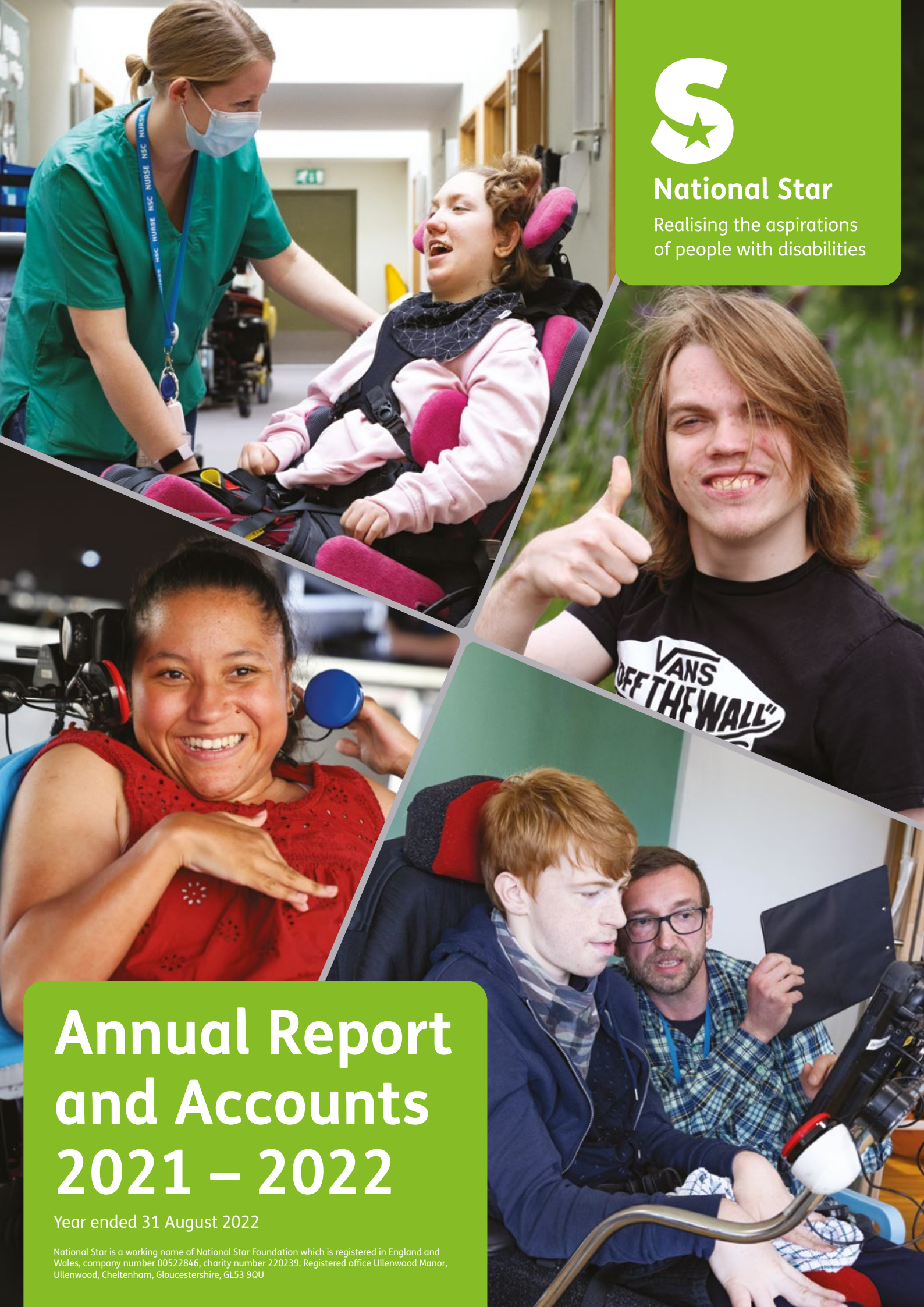

National Star

Realising the aspirations of people with disabilities

Annual Report and Accounts 2021 – 2022

Year ended 31 August 2022

National Star is a working name of National Star Foundation which is registered in England and Wales, company number 00522846, charity number 220239. Registered office Ullenwood Manor, Ullenwood, Cheltenham, Gloucestershire, GL53 9QU

Luke, age 23

Without National Star...

> “I wouldn’t be able to develop my independence and work on things by myself.”

Student Luke

Living in a specialist residence at National Star has transformed Luke’s life. Luke is learning to drive his chair on his own and is communicating with people at a level he has never done before. He is achieving things his mother Sarah dreamed of but never imagined would happen.

Luke, who has cerebral palsy, has complex medical needs. His mother Sarah says Luke is not only thriving but enjoying the best health he has ever experienced. ‘Luke has challenges with his health, and he has, over the years, had a lot of hospital admissions. Since settling at National Star he has had less hospital admissions and I think it is because the regime and lifestyle he has now improved his physical and mental health.’

Coming to a residential college was important to Luke. ‘I wanted to come to National Star because I wanted to live away from Mum for a little bit and be like other teenagers,’ says Luke. ‘I wanted to meet new people with the same difficulties as me, and it was important to be around more people who use an AAC (communication) device.’

His communications skills have flourished. ‘I am most proud of how I have become more confident in making my voice heard using my AAC device,’ says Luke. ‘I like sharing my news with everyone and saying what I think and what I want.’

Physiotherapists are working with Luke so that he can use a race runner (a specialist trike). It’s the first time he has ever been able to move himself independently. He is also learning to drive his chair using switches he controls with head movements.

Annual Report 2021 – 2022
Year ended 31 August 2022

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Charley, age 21

Without National Star...

"I wouldn't have found my dream job."

Charley
Former student

When Charley started at National Star in Hereford, she had little self-confidence and was uncertain as to where her future would take her.

Working with her job coach, Charley focused on improving her English and maths and learning to speak clearly so people can understand her.

'I was made to feel comfortable and for the first time I was encouraged to say what I think,' says Charley. 'My confidence just grew and grew.'

Charley worked on building her housekeeping and catering skills. She learned about food safety and hygiene and COSHH safety regulations when using potentially hazardous cleaning products. She secured a work placement at National Star's long-term living residential home in Hereford. Charley, who uses British Sign Language in connection with her hearing impairment, is also learning Makaton so that she can better communicate with residents.

'This is my dream job. I didn't know what I wanted to do with my future. National Star helped me find my way,' says Charley.

Charley has moved into her own place and her next goal is to learn to drive.

Who we are

National Star is a charitable provider of exceptional education, personal development, accommodation, care and support services for young people and adults with complex disabilities and learning difficulties. Every year, we work with hundreds of young people and adults from across the UK.

The charity started in 1967 with just 10 learners at its base in Ullenwood, Cheltenham. Since then we have grown with a campus at Ullenwood and day education provision in Wales and Hereford. We have long-term living accommodation in Cheltenham, Gloucester, Malvern and Hereford. We now support and care for young people with more complex medical needs than we have done in the past. We also provide a range of work outcome programmes and independent travel training in several locations across England and Wales.

The constant thread is National Star's belief in realising the aspirations of people with disabilities.

Our vision

A world in which people with disabilities are able to realise their potential as equal and active citizens in control of their lives.

Our mission

To realise the aspirations of people with disabilities through personalised learning, transition, support and care and accommodation services.

Our values

As we work we are led by our values:

- Equality
- Diversity
- Self-determination
- Individuality

This means we work with:

- Respect
- Integrity
- Perseverance
- Continuous improvement

What we do

National Star provides and maintains exceptional programmes and services for a wide range of young people and adults with disabilities and learning difficulties.

The education programmes are offered on a residential and day basis. Our range of programmes enable us to support young people with varying needs.

In addition, the expertise and knowledge of staff has enabled us to expand the work of the charity by developing additional services in the key areas of personal development and care and by supporting other organisations, in the UK and overseas.

Our strategy focuses on three key charitable activities: education and personal development; accommodation and care services, and support services.

Education and personal development

National Star provides high quality education and personal development programmes for a wide range of learners with complex disabilities and learning difficulties.

Accommodation and care services

National Star provides a range of care, therapies and accommodation services, including the provision of short and long-term living, short breaks and respite care.

Support services

National Star provides a range of support services for individuals and their families, as well as delivering professional development opportunities, training and consultancy.

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Our impact

795,766

Hours of service provided by National Star in 2021 – 2022 to young people with disabilities and learning difficulties.

Education and personal development

495 Young people accessed National Star's education and personal development programme.

67,003 Hours of education delivered in the past year.

92% Of learners fully achieved their personal learning goals.

42,240 Hours of therapy provided by National Star's multi-disciplinary teams.

Accommodation and care

32
Young people and adults live permanently in four National Star long-term residences.

686,523

Hours of care provided.

Support services

600+ People benefited from National Star training in the UK and worldwide.

Chief Executive's and Chair's Statement

Building a brighter future

The effects of the pandemic made 2021 – 2022 a challenging year, yet the National Star community never wavered in its commitment to providing the best care and support to young people and adults with complex disabilities and learning difficulties and their families.

The charity could not have provided all its care and learning programmes without the leadership of its management team and the commitment of the staff. We thank them for their outstanding efforts to provide the highest quality of education, care and support during such unprecedented times.

National Star has come out of this difficult period stronger, more focused and ready to develop and grow. It is fitting that in our 55th year as a charity we marked many new beginnings. As the year drew to its close, David Ellis, stepped down as Chief Executive of the charity. Under the 12 years of David's leadership the charity has grown exponentially and we would like to thank him for his dedication and service. His legacy is a charity which has developed into a national beacon of excellence and National Star is considered a leader in the sector. His successor is Lynette Barrett, who is testament to our in–house staff development programme.

The most significant new beginning is the construction of a new specialist residence at our main campus in Ullenwood. This £6.2 million project, due to be ready for use in September 2023, will replace an older residence in Gloucester that is no longer suitable for many of our learners, who have complex disabilities and high medical needs.

National Star has ambitious plans to grow and to provide care, support and specialist learning to more young people while protecting and maintaining the quality of our existing services, yet we cannot do that without highly skilled and committed staff. National Star took the unprecedented step in 2021–2022 to release funds to retain, develop and recruit staff. While the national shortage of quality staff, especially

Chief Executive Lynette Barrett with a National Star student

Chairman Paul Styles with a National Star student

in the care sector, is expected to continue, we are pleased to report that we have had much success with staff retention and recruitment.

The need for our specialist services continues to rise. According to the Department for Education SEND Survey data (May 2022), there are 132,776 young adults (aged between 16–24) with Education, Health and Care Plans (EHCP). That is a 21% increase in young people aged 16–19 and 7% rise in those aged 20–24.

Local authorities placed 80,392 young people with EHCPs in further education. Of those, 8,230 (10%) are in specialist colleges. While the number of those in further education and in specialist colleges increases, the number of specialist residential places, where young people's complex needs can be met, has fallen 14% from 2018. National Star is one of just 56 independent specialist providers in the UK providing residential education.

We cannot meet that growing need without the ongoing generous support from volunteers, individuals, groups, charitable trusts, foundations and companies. To them we say a heartfelt thank you. Together we can build a brighter future.

Paul K Styles
Chair of Trustees

Lynette Barrett
Chief Executive

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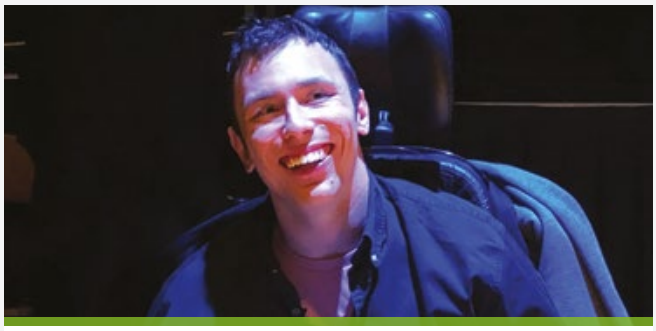
Our learners' contribution

Making a difference

Every year current and former National Star learners make a huge difference to their communities in myriad ways. These are just a few examples of young people who truly embody National Star's vision of being equal and active citizens.

Georgie

Since leaving National Star in 2018, Georgie has volunteered with Hospital Radio Perth. She also volunteers with the Straight Talking Group at the University of Dundee, helping train first and third-year medical students in how to communicate with people with complex communication needs. 'We hope that when people who use AAC devices need medical care, the doctors will be able to adapt their communication styles to ensure positive consultations,' says Georgie.



Ed

Ed makes a 70-mile round trip from Wiltshire to Gloucestershire to volunteer at Stroud's arts venue, The Subscription Rooms. 'Ed is simply one of our very best volunteers, he greets the audience as they arrive at The Subs and brightens everyone's day,' says Hugh Phillimore, Chair of the Subs Trust. In 2022, Ed was named Young Person of the Year in the Stroud Town Awards for his contribution.

Elliot

Elliot volunteered as front of house staff at the Commonwealth Games in Birmingham. Elliot, who was Student Union President for two years at National Star, also received the 2022 Student Making a Difference Award for his support of fellow learners while at college. 'I felt proud to represent the Commonwealth Games,' says Elliot. 'I love sport and this will look very good on my CV.'

Molly

Molly wanted to give something back to others in acknowledgement of all the support she has received. She volunteers with a local disability charity, supporting staff to run the choir group and the youth club. 'I really enjoy being a volunteer at the centre because they help people with disabilities,' says Molly. 'Children and adults have a better quality of life and fun too.'

Michael

Michael is a valued volunteer gardener at St Michael's Hospice in Hereford. In a year he has only missed one week when he had COVID-19. He is willing to do whatever needs to be done, whether it is shifting 50 tons of compost or helping to lay a wheelchair accessible path. His confidence has grown so much that it is planned for him to take personal responsibility for an area of the new garden. He never lets his own personal challenges get in the way of his volunteering and he has earned the respect of his elders on the team.

Financial review 2021 – 2022

National Star has continued to operate on a sound financial basis despite the pressures from reductions in statutory funding, changes in high needs funding systems, a competitive fundraising environment and the risks of the coronavirus pandemic.

The trustees consider the key performance indicators for the sustainability of the charity to be the cash flow generated from operating activities and the operating surplus. These together with the other movements in income and costs are considered below:

- The charity's overall income at £36.4m represented £4.1m growth on the previous year, with fee activities income at £24.5m showing an increase of £1.1m *(2021: £23.4m)*, reflecting the increased complexity and needs of learners' disabilities. This is the charity's principal funding source and comes from the ESFA and local authorities.
- Income relating to other projects and charitable activities increased to £8.3m *(2021: £7.1m)*, representing the diversification of additional activities and provision as detailed in note 3.
- Donation and legacy income for the year increased to £2.4m *(2021: £901k)* reflecting the increased amounts received from trusts, legacies and major donors, plus ongoing fundraising appeals.
- Total expenditure has risen compared with the previous year to £36.2m *(2021: £31.1m)* with the rise in expenditure due to the learners' more complex requirements and the need for greater staffing levels to support them, resulting in increased staff costs and the increasing range in provision of services.
- The group has recorded a surplus (net income before gains) of £215k *(2021: £1.17m)*.
- The group has a positive cash flow generated from operating activities of £358k *(2021: £1.1m)* after capital expenditure of £1.6m *(2021: £1.2m)*.
- The group's total value of net assets at the end of the year was £34.3m *(2021: £34.2m)* of which £26.3m *(2021: £26.2m)* was represented in tangible fixed assets.

The financial instruments, being the financial assets and financial liabilities of the charity, comprise cash and other items such as trade debtors, trade creditors, which arise directly from its operations. The main purpose of these financial instruments is to finance the operations of the charity. Their nature means that they are not subject to price risk or liquidity risk.

Investment policy

The charity held investments during the year in Schroder Unit Trusts Charity Equity Fund, CCLA Investment Management Ltd COIF Charities Investment Fund, and investment funds with St. James's Place Wealth Management. These investments are subject to price risk arising on the underlying investment portfolio. The trustees maintain a finance and investment committee to oversee its investment policy and monitor performance against relevant industry benchmarks.

The investment policy objectives in furtherance of the charity's objectives include obtaining an optimum financial return on investments in accordance with the charity's investment powers and attitude to risk, maintaining a responsible approach to investments and protecting capital in real terms.

The charity's risk attitude in relation to its investments is described as 'modest'.

The overall investment portfolio on a period–end value to value basis saw total losses of £131k, or 3.1% *(2021: gains of £781k, or 24%)*.

Reserves policy

The trustees consider that reserves are needed to enable the charity to operate effectively and responsibly; representing the funds that might be needed to support expenditure in the event of reduced income or changes in circumstances. Accordingly, the charity maintains a reserves policy and the trustees monitor the finances of the organisation through regular management accounts.

The reserves policy accounts for anticipated future income and its volatility, the needs of current and future beneficiaries and the levels of known liabilities. Its reserves enable the charity to fund unexpected expenditure or shortfalls in income, to support working capital requirements, to mitigate for risks and to be able to take advantage of change and opportunities.

The reserves are represented by the organisation's net current assets (free of restricted or designated funds) plus investments and alternative investment assets. The reserves policy states that these should equate to a value of not less than £3.3m. The charity's restricted and designated funds are detailed in notes 14 to 16 to the Financial statements. Note 15 details unrestricted funds of £27.2m after allowing £4.9m of designated funds towards ongoing capital development, of which £24.3m is represented as fixed assets deployed to support the charity's activities.

After adjustment for £380k fixed assets available to the charity and not deployed in charitable activity the charity had a reserves assessment as at 31 August 2022 of £3,278,991 *(2021: £5,195,550)*. Whilst the level of free reserves matches the current reserves policy requirement of £3.3m, the trustees and directors consider that the overall level of available funds, taking account of the committed and designated funds identified and described above together with ongoing capital development, is appropriate and in line with the charity's policy.

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Subsidiary undertakings

Two subsidiary undertakings operated during the year. NSF Trading Limited (company number: 01168043) operated as the organisation's trading subsidiary for non-charitable purpose trading. NSF Design & Build Limited (company number 08628807) was established in 2013 and undertakes accommodation development projects on behalf of the charity. Both subsidiaries generated surpluses in the year after direct costs, administrative costs and audit fees (as detailed in notes 2a and 2b) which resulted in gift aiding a total of £98,175 *(2021: £37,119)* to the charity. Shareholdings are disclosed in note 10 to the Financial statements.

Related parties

The charity has related party transactions with its two wholly owned subsidiaries. Please see note 20 to the Financial statements for details.

Going concern statement

The trustees have reviewed the group and the charity's financial position, taking into account the satisfactory levels of reserves, amounts receivable, the annual plan and the financial plan, together with its systems of financial and risk management. We have prepared several scenarios that consider our position, sources of income, and planned expenditure. This includes the post-pandemic impact on operations together with assumptions around recovery thereafter. These scenarios consider reduced learner numbers, delayed fee payment, reduced fees and potential bad debts as well as impact on costs from the measures taken so far. Sensitivity around these assumptions has also been considered in our forecasting. Results of this cash flow and sensitivity analysis indicate that the cash reserves of the charity are adequate to meet the charity's obligations as they fall due.

As a result of its review, the trustees believe that the group and the charity is well placed to manage operational and financial risk successfully. Accordingly, the trustees have a reasonable expectation that it has sufficient resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis of accounting in preparing the annual consolidated Financial statements.

Tom, age 30

Without National Star...

"I wouldn't be able to drive myself in my powerchair and would have to depend on my carers."

Tom
Private therapy client

After finishing college at National Star, Tom Duncan started accessing private therapy with us.

Having made significant progress during his time at college, he required ongoing specialist input from physiotherapy, aquatic therapy, occupational therapy and speech and language therapy to enable him to maximise his potential, whilst also managing his complex health needs.

For Tom, improving his upper limb function has enabled him to access the community more effectively with one of his biggest achievements being able to drive his chair with less support due to the joint working of the therapy teams and occupational therapy supporting him with accessing the community.

'It's important to me that I can improve my driving so I can drive myself everywhere without carers,' explains Tom, who has an acquired brain injury.

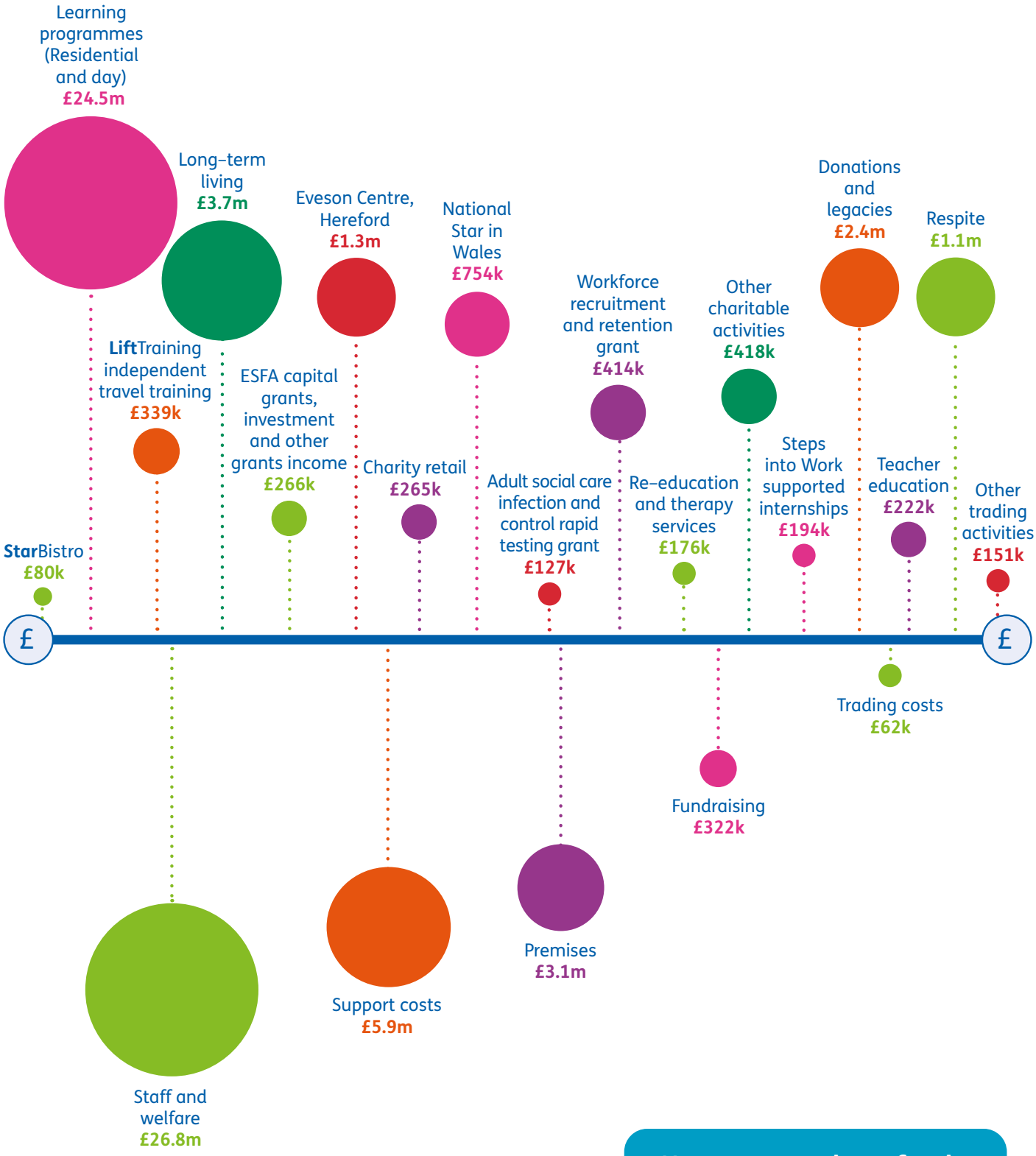
Through occupational therapy, Tom is also developing skills and strategies so that he can access IT independently. He can now type by himself and play computer games.

'The private therapy has also led to me doing some advocacy for wheelchair access because the pavements into Cheltenham had big bumps on the way,' says Tom. 'When Highways repaired the pavements, it made me feel great.'

Tom will continue to need input long-term and finds aquatic therapy particularly effective in managing his health needs and enabling him to progress his active movement.

Financial review 2021 – 2022

How we raise our funds



How we spend our funds

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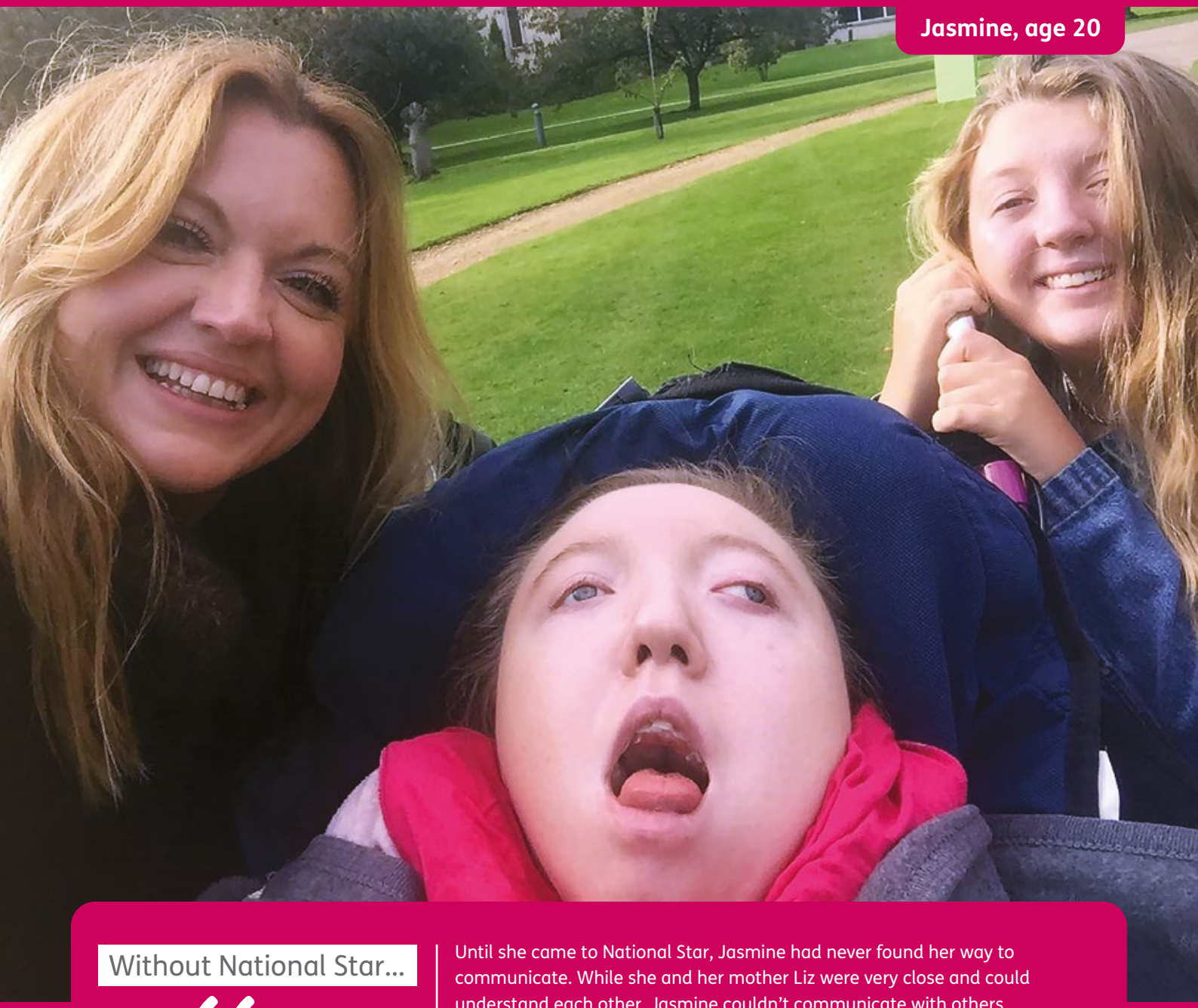

Jasmine, age 20

Without National Star...

> “Jasmine would not have found her voice.”

Liz, Jasmine’s mum

Until she came to National Star, Jasmine had never found her way to communicate. While she and her mother Liz were very close and could understand each other, Jasmine couldn’t communicate with others.

‘The connection between us was an intense one. I could gauge so much about her and understand the very subtle signs she gave out,’ says Liz. ‘To others, she had a type of locked in syndrome.’

Working with National Star’s intensive interaction team, Jasmine learned to communicate through her sighs, or her exhalation of breath. At first, she used it to express yes or no, but as she developed and grew in confidence, she learned to be creative and communicate with staff and fellow students.

Jasmine was born premature and had a Profound and Multiple Learning Disability, and she was medically very complex. Her family were passionate that she enjoyed a full life as any young person. Thanks to National Star’s multi-disciplinary team, Jasmine was able to attend college as a residential student.

‘I felt like we won the lottery when Jasmine was awarded a place at National Star. She thrived there and became independent in her wishes,’ says her mother Liz. ‘Her communication developed so much that she could choose what she wanted – this was only a skill she achieved at 20 years old.’

Sadly, Jasmine died in 2021. ‘Jasmine was so very precious and complex in her needs, yet I never met a member of staff at National Star I would not entrust her care to,’ says Liz. ‘The National Star teams always strived for the best for her to have a complete and enriched life regardless of physical restrictions.’

What we achieved

National Star provides a wide range of education and personal development

Education and personal development

National Star provides a wide range of exceptional education and personal development programmes to enable young people with complex disabilities to become equal and active citizens as they transition into adulthood.

Our charitable activity

To offer high quality residential and day education and personal development programmes for people with disabilities, in order to help individuals develop and sustain personal skills.

What we achieved

Every learning experience is unique at National Star to ensure it suits the needs and aspirations of the individual. Our multi-disciplinary approach means education, therapies, residential and nursing teams work together to enable each learner to achieve their goals.

The main education sites are Ullenwood in Cheltenham, Hereford and Mamhilad in Wales, as well as partnerships with colleges and local authorities across England, providing work-related programmes into employment and travel training. In 2022 – 2023, 72% of learners received an accredited full award. During the year, 495 young adults benefitted from our education programmes.

Our unique approach to learning received national recognition in June 2022 when we were runners-up in the Natspec Awards for "curriculum innovation".

COVID-19 restrictions meant that during certain times of the year learning was accessed in cluster groups, each with its own dedicated care, therapies and education team. From the spring term as restrictions were lifted, National Star was able to return to its more traditional learning with students able to mix and greater access to the community, including work experiences.

We ended the year on a high note with the re-introduction of face-to-face celebrations for leavers which families and friends could attend. We held three Leavers' Ceremonies in Ullenwood, one in Hereford and one in Wales.

National Star's learning programmes focus on three learning pathways: achieving work, learning skills to positively contribute to the community and learning the skills to engage with the world.

As a charity, we are committed to providing residential learning as an important part of our provision because of the life skills outcomes learners achieve, alongside greater independence and confidence. In 2021 – 2022, we supported 110 residential learners. There are only 56 specialist colleges in England which still provide that learning experience where young people with disabilities can move away from home to college, the same as their able-bodied peers.

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National Star's education centre in Hereford continued to grow, with 32 learners accessing day education and supported internships. It has proven to be very successful with high demand for places.

There were 17 learners at National Star's Welsh education centre at Mamhilad in 2021 – 2022. Extra space was also acquired for the facility, which enables the college to provide therapies. National Star in Wales was mentioned in Estyn's 2021 Annual Report, highlighting our recovery curriculum which focused on learners' health and wellbeing during the pandemic. This included relaxation sessions at the end of each day and a focus on learners' health and emotions in the content and delivery of sessions. One of the highlights of the year was at the Leavers' Ceremony when one of the learners sang the Welsh National Anthem in Welsh.

Our Virtual Parent Forum has continued to grow in popularity with parents. Former students also took part and themes included transition and learner voice. For the first time since 2019, we were able to host a reunion at Ullenwood which was attended by 55 former learners.

Learner voice

Learner voice plays an integral part at National Star. Members of the Student Union (SU) give updates and presentations to governors and trustees. Current and former learners sit on the Advisory Board, as well as assisting at staff interviews.

Former learners, the Student Union and learners at Ullenwood and Hereford took part in the consultations for the 2022 SEND Review: 'right support, right place, right time'. Their feedback formed an integral part of National Star's submission to the Review.

The Student Union was consulted regarding the deployment of vaccinated / non vaccinated staff and potential changes to timetabling due to the pandemic.

For the first time, two National Star learners, who both use electronic devices to communicate, spoke at the Association of Colleges (AoC) SEND Conference in November. A student also spoke about his further education experience at the Natspec Annual conference in May.

In November 2021 and April 2022, the SU participated in the virtual Natspec Student Parliament, discussing topics including challenges around the transition from college and education the local community.

Learners ran a successful community café at National Star in Wales

Celebrating learners' success at Hereford

The SU worked with national disability charity Hft on its long–term strategy. They also participated in a Young Listeners project with Healthwatch Gloucestershire and their feedback on using local health services

Learners have been actively involved in the planning of the new £6.2 million specialist residence being built at Ullenwood.

Learners at National Star in Wales participated in activities relating to democracy to cast their votes for their preferred choices relating to enrichment activities and lunch clubs.

Community engagement

National Star staff and learners are passionate about breaking down barriers around disability. We do that in countless ways, from selling tea and cake in a community café to planting trees as part of a community project. Every encounter, every chance to help people understand the role young people with disabilities must play in society, is important.

For the first part of the year, we had to limit public access to our facilities due to the pandemic and this impacted on our community engagement. Our social enterprises provided real work opportunities for learners. Ullenwood day learners ran a café and a takeaway at Elmscroft Community Centre when lockdown permitted it. **Star**Bistro reopened to the public in April 2022 where learners work in the kitchen and front of house developing valuable work skills. Learners at National Star in Wales gained valuable work experience at a local café.

Learners created a range of crafts in their Art Factory project sessions, which were sold in the **Star**Shop at Ullenwood and at the new charity shops. **Star**Print, another social enterprise, provided work experience as learners produced a range of mugs, canvasses and coasters for National Star and external customers.

We ran our second **Star**Lit Fest, which coincided with Cheltenham Literature Festival and celebrated storytelling in its many forms, including sensory stories. Students accessed free workshops as part of Cheltenham Poetry Festival. We also have a strong partnership with The Everyman Theatre.

Adult community learning was impacted by the pandemic, but we were still able to provide courses in fitness, glass fusing, felt making and ceramics, and 24 people took part.

National Star delivers a range of community arts projects including Apt Dance, Ad–Apt Youth Dance and Apt Orche**Star**. Ad–Apt Youth Dance took part in a joint project with Vamos Central Mask Theatre.

Transition to adulthood

Planning for transition beyond National Star starts when a learner begins with us. The transition team works closely with the education and therapies teams to ensure the best possible outcomes when it comes to where they live, the support they receive and the activities they will access. In April, we held a Transition Event for learners and their families – the first event we staged following the lifting of COVID–19 restrictions.

National Star prepares young people for adulthood, whether that means securing paid work, contributing to society as a volunteer or being able to direct your own care or being able to plan and prepare balanced meals. There is a focus on supporting learners to develop their confidence, communication skills and to become active citizens in their community.

Learners make a very positive contribution to society as volunteers for countless organisations and charities. During the year they supported furniture recycling projects, educated medical students on how to communicate with people who are non–verbal, welcomed visitors to the Commonwealth Games and raised money and awareness for Ukrainian refugees. Please see Page 7 for further examples of students' contributions.

The Duke of Edinburgh's Awards programmes is an important part of enabling learners to become active citizens. In 2021 – 2022, 11 learners from Ullenwood and Hereford, completed either their Silver or Bronze Awards and five completed the last part of their Gold Awards.

National Star's work–related programmes supported every learner with a job coach who worked with them and the employer to ensure the best long–term outcome. In 2021 – 2022, 99 people accessed our supported internships, traineeships and the Skills for Work programme. Work–based programmes were also run in Hereford, Gloucestershire, Bristol and London.

Multi–disciplinary teams work with learners

LiftTraining programme provides disabled, disadvantaged and vulnerable young people and adults with the skills and confidence they need to travel independently. We were one of only a few independent travel training programmes that continued to deliver training throughout government restrictions. During 2021 – 2022, we worked with 165 learners in one–to–one and group sessions, which were mainly delivered online due to the pandemic. We delivered training in Gloucestershire, Cambridgeshire, Derbyshire, East Sussex and Warwickshire.

Ambitions

For the year ahead

- Sustain and further improve high quality learning and teaching across all National Star provision, ensuring positive learner outcomes.
- Source additional teaching space at Hereford to meet growing demand.
- Introduce a new learning programme with a more sensory approach to meet learners' needs and aspirations.
- Introduce transition events in Hereford and Wales.

What we achieved last year

- *Sustained high quality learning and teaching across all National Star sites.*
- *Successfully launched a new independent travel training initiative in Cambridgeshire.*
- *Acquired additional therapy space at National Star in Wales.*
- *Delivered a new adult and community learning programme in Gloucestershire.*

How we made a difference

89%
Of learners who took part in survey said college was either fantastic or good.

67,003
Hours of education delivered in the past year.

495
Young people accessed National Star's education and personal development programme.

92%
Of learners fully achieved their personal learning goals.

72%
Of learners who left in July 2022 received an accredited full award.

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Chair of Governors' Statement

Safeguarding those in our care

National Star's approach to safeguarding is straightforward – it is everyone's responsibility to ensure the continued safety of the vulnerable young people using our services.

The charity promotes a 'no blame culture' with an open door policy for any member of staff, learner or resident who has concerns about safeguarding, across all its services. The number of reported incidents demonstrates how learners and staff feel safe to express concerns and the strong interactions between staff and learners about the importance of safeguarding.

The pandemic has again had a huge impact on staff, residents, learners and their families. We've worked with more safeguarding concerns than ever before, with marked increases in reports about learner mental health and incidents which happened when the individual was not in the care of National Star. Staff recruitment and retention continued to affect the number of reported incidents with many COVID–19 related, such as use of appropriate PPE.

National Star works closely with Gloucestershire Safeguarding Children and Adults boards. We achieved 94% on Gloucestershire's Children's Safeguarding Annual Audit. The audit is extremely broad and covers everything from FE colleges, to primary and specialist provisions. There are sections which do not apply to National Star which impacts our overall score.

In 2021 – 2022, there were 315 potential incidents investigated by the safeguarding team, compared with 216 in 2020 – 2021. Of those, 58 were referrals related to incidents occurring while the person was not in the care of National Star – an increase of eight from last year. Of the reported potential incidents, 30 were referred to other agencies such as Gloucestershire Safeguarding, the home area local authority and the Care Quality Commission. Eight of those were related to incidents when the person was not in the care of National Star. Most of the investigations are low level concerns which often require staff management supervision and / or refresher training.

Mary Saunders, Chair of Governors with a National Star student

Gloucestershire Safeguarding services was satisfied with our robust investigation process and in all cases found our conclusion and action appropriate and proportionate. Only one referral resulted in a S42 inquiry, which Gloucestershire Safeguarding deems as a possible risk and wants it to be investigated, which we managed internally.

The personalised learning team work closely with the safeguarding team to ensure that learners understand the support networks available to them and learn how to stay safe. This is woven throughout learners' education through differentiated teaching and learning opportunities, both in and out of the classroom. In the 2021 – 22 Student Perception of College survey, 93% of learners who completed the survey felt safe at college all or most of the time.

Safeguarding practice is embedded within all aspects of staff development. This includes a robust induction, regular safe working practice training delivered face to face by a Head or Director and it is a standing agenda item within every team meeting. In the 2022 staff survey, 95% of staff felt safeguarding arrangements are effective, a 1% decrease from 2021.

We are building on the effectiveness of our safeguarding processes. Clearer communication following a referral to the safeguarding team was introduced to ensure referrers feel confident that their concerns are being dealt with. A plan has been developed to ensure the safeguarding team is more visible to staff and service–users. The National Safeguarding Lead reports directly to the Board of Governors and a link Governor attends termly safeguarding strategic group meetings.

The effectiveness of National Star's approach towards safeguarding and its role in supporting learners' outcomes is recognised through Natspec (the membership association for organisations providing specialist services for students with disabilities) which regularly asks National Star to provide advice and guidance to other organisations.

Mary Saunders
Chair of Governors

National Star support 32 young adults in its long-term living accommodation

Accommodation and care services

Throughout the pandemic, National Star's continued commitment to the quality of care for young people and adults with disabilities was critical.

Young people and their families depend on us. We provide care for residential learners and respite as well as long-term living and therapy services.

Our charitable activities

National Star provides a range of exceptional care, therapies and accommodation services.

What we achieved

Residential learning

National Star provides residential specialist college placements for young people with a range of disabilities and medical conditions. The residential care and nursing teams work closely together. They also are part of our multi-disciplinary approach. This means learning goes far beyond the classroom. It becomes an integral part of the college experience, embedded within their residential experience.

In 2021– 2022, National Star had 110 residential learners based in accommodation at Ullenwood and Bradbury Gardens in Cheltenham, as well as Elizabeth House in Gloucester. Among these learners were those who lived with us beyond term time, with National Star supporting their needs during the year.

Throughout the pandemic, our residences remained open. Most residential learners remained at National Star throughout the academic year because they depended on us for their level of care and to continue with their education and personal development programmes.

From September 2021 to March 2022, learners worked in smaller cluster groups with dedicated therapies, care and learning staff, to help manage infection prevention and control. This ensured that when lockdown returned it did not disrupt college life. Learners' mental and physical wellbeing was paramount, and teams worked incredibly hard to keep up spirits when learners could not see their families. When restrictions lifted, residential staff supported the young people to again access the community. During the year we carried out an extensive health and wellbeing survey with residents. The result was the catering team working with Dr Lara Rowlands, one of our governors, to create a more responsive, seasonal menu.

Long-term living

National Star developed long-term living in response to former National Star learners struggling to find suitable homes. Young adults want to live with their peers and to continue their personal development. That is what National Star does.

We provide long-term accommodation at Foundation House in Gloucester, MatrixCare in Malvern, Bradbury Gardens in Cheltenham and Ledbury Road in Hereford. Our long-term living residences were home to 32 residents last year. There continues to be a huge demand for our long-term living.

As with the college residences, staff in all the long-term living accommodation worked incredibly hard during the pandemic to keep residents safe, and just as importantly, mentally healthy, with a range of activities to ensure they were entertained. Residents themselves have a say in activities and are very much involved in the planning.

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In November 2021, Care Quality Commission inspectors awarded the long-term accommodation at Ledbury Road, Hereford, with a 'Good' overall rating with good in all five inspection areas. Inspectors stated that people were supported to have maximum choice and control of their lives and staff supported them in the least restrictive way possible and in their best interests.

Respite

National Star has seen an increase in demand for respite services. This reflects a shortage of accessible care in the community but also the increase of residential students who remain at National Star 52 weeks a year. It is vital for us to ensure continuity for learners and additional support for families. For those reasons, we have stopped our activity breaks so that we can focus our resources on much needed respite care. Last year we provided 57,792 hours of respite care.

Therapy services

National Star is fortunate to have purpose-built therapy facilities and teams of highly skilled professionals who are passionate about what they do. As a charity, it is important for us to share these facilities and expertise with the wider community and our service users. We do that through offering additional therapy services. Last year we provided more than 554 hours of therapy, including aquatic therapy, physiotherapy, occupational therapy, speech and language therapy and emotional wellbeing support.

How we made a difference

42,240 Hours of therapy provided by National Star's multi-disciplinary teams.

32 Young people and adults live permanently in four National Star long-term residences.

Care Quality Commission awards long-term living in Ledbury Road, Hereford, with an overall good rating.

686,523 Hours of care provided.

A senior care worker at National Star's long-term residence in Hereford was named Care Worker of the Year in the BBC Hereford and Worcester Make a Difference Awards.

57,792 Hours of respite care provided.

National Star's long-term residence in Hereford was a finalist for the Care Home of the Year in the Hereford Times Health and Social Care Awards.

> "Sending Peter to National Star for college and then for him to remain as a resident is the best thing we ever did for him."
>
> **Peter's parents Liz and Rob**

Ambitions

For the year ahead

- Build the new residence at Ullenwood to be ready for the 2023 – 2024 academic year to replace Elizabeth House.
- Focus on recruiting and retaining skilled and professional care staff within a competitive market.
- Review provision of long-term living in Worcestershire.
- Explore opportunities to create long-term living accommodation in Wales.

What we achieved last year

- *All residential and long-term living accommodation remained open and functioning throughout the pandemic.*
- *Provided safe respite services throughout the pandemic.*

All our residences remained open during the pandemic

National Star is committed to sharing its expertise

Support services

As a centre of excellence, National Star is committed to sharing best practice and expertise. We do that in myriad ways across the UK, Europe and the wider world.

Our charitable activity

National Star provides a range of support services for individuals and their families, as well as delivering professional development opportunities and training, consultancy and working collaboratively with other organisations to develop capacity and improve quality of provision for people with disabilities.

What we achieved

Throughout 2021 – 2022, National Star shared best practice through a range of opportunities and settings. Our National Lead for Safeguarding supported the specialist sector by contributing to consultations in collaboration with Natspec (the membership association for specialist providers). National Star's Learner Voice Coordinator shared our best practice with other colleges in his seconded role as the Natspec Learner Voice Coordinator.

An important way to share expertise is to develop strong relationships between specialist and mainstream further education organisations. We received funding from the AoC (Association of Colleges), Natspec and the Department for Education to do a piece of research with the Warwickshire College Group on how specialist and mainstream further education colleges could work together to improve SEND education.

National Star is working in partnership with the Heart of Worcestershire College on how to provide specialist SEND education at the mainstream college.

We are involved with a similar project in Wales with Coleg Gwent. Funded by the Welsh Government and Natspec, the project is focusing on how the FE sector can provide more joined-up SEND learning in line with the new ALN (Additional Learning Needs) reforms (the Welsh version of the Education, Health and Care plans).

National Star provided a range of training in the UK for The Education and Training Foundation (ETF). We also offered teacher education with participants from a range of specialist and mainstream further education colleges with 54 people completing their training with us. We delivered training in Liverpool, Loughborough, Devon, Kettering and Luton.

Technological expertise

National Star continued its involvement in the Department for Education's EdTech programme, working in partnership with the Heart of Worcestershire College. The project focused on accessibility of online materials, including websites. The partnership also worked with six other schools to provide technology assessments. National Star also hosted a CPD event which involved specialist technicians in the field of adaptive technology who shared their expertise in personalising technology.

One of National Star's education leads spoke at the BETT Show – the largest teaching technology conference in Europe – on inclusion and diversity in esports.

National leaders

As one of the national leaders in specialist post-16 education, National Star was active in contributing to national reviews and research projects in 2021 – 2022. The most important one was the Department for Education's Green Paper, SEND Review: 'right

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support, right place, right time'. We supported parents, carers and students to contribute their views to the consultation.

In July, National Star supported Ofsted with its local area inspection consultation. Learners across the college, as well as the Student Union, worked with Ofsted and the Department for Education, on how to collect student feedback.

National Star's Chief Executive, Lynette Barrett, is also Chair of Natspec ensuring that National Star is at the forefront of national discussions on further education provision for young people with complex needs and disabilities.

One of National Star's long-term strategic aims is to act as a beacon for disability and to shine a light on the talents and achievements of young people. We achieved that last year with a BBC One TV documentary focusing on young people with complex needs and through worldwide media coverage on learners' achievements and their views on what they consider important.

We delivered support and training with The Education and Training Foundation (ETF) aimed at getting more people with disabilities into employment. The focus of the project was to create a culture where young people with disabilities work with employers to articulate the benefits of a diverse workforce and to actively make changes to the working practices.

International collaboration

During the year, National Star worked on its two-year project with Erasmus +. WorkAble Europe was a National Star led Erasmus + EU collaborative partnership between vocational special schools in United Kingdom, Poland, Romania and Greece. This project was extended due to the pandemic. Through a series of hosted staff study visits, each institution showcased examples of good practice in the teaching of work skills, social enterprise development and employer engagement.

This partnership was formed around each organisation's expertise in working with young people with disabilities and their work with employment programmes. The project gave examples of good practice to enable organisations across the EU to be inspired in their work with young people with disabilities to make employment WorkAble.

Ambitions

For the year ahead

- Establish the feasibility of partnership day provision within a mainstream college.
- Develop a training and consultancy service to pass on National Star expertise.
- Further share best practice in safeguarding and learner voice through our Natspec partnership.
- Further develop the partnership between a mainstream college and National Star in Wales with the aim of launching a pilot provision at a mainstream college.
- Develop further partnerships to deliver teacher training.
- Work with The Education and Training Foundation and Weston College to deliver training for SEND managers and how to raise the status of the SEND professional.
- Complete the project with Erasmus + and the EU on disability employment from school to the workplace.

What we achieved last year

- *Provided valuable data and insight to national reviews and consultations, most notably the Green Paper 2022 SEND Review: 'right support, right place, right time'.*
- *Took part in a BBC One documentary which focused on young people with complex needs and their transition to adulthood.*
- *Delivered a project with The Education and Training Foundation (ETF) aimed at getting more people with disabilities into work.*
- *Completed an AoC, Natspec and DfE funded project with Warwickshire College Group on how specialist and mainstream further education colleges can share best practice and work closer together.*
- *Successfully completed the EdTech project with the Department for Education.*

How we made a difference

600+

People benefitted from National Star training and sharing of expertise in the UK and worldwide.

Shone a light on the talent and achievements of young people with disabilities and learning difficulties through a prime-time TV documentary, worldwide media coverage and research projects.

Countries National Star worked with in the past year included: Poland, Greece and Romania.

Establishing strong relationships with mainstream further education colleges so that we can support more young people with SEND.

Provided valuable data and insight to national reviews and consultations, ensuring the voices of young people and their families are heard.

How we achieved it

National Star hosted its first staff long-service awards evening

Our people

What sets National Star apart is the high quality of its services, and it cannot provide that quality without highly skilled, talented and committed staff. Our staff are our most valuable asset and retaining and recruiting those quality employees is critical to the survival and growth of the charity.

The pressures of the pandemic and the rising cost of living have seen a growing shortage of skilled staff across the UK, especially in the care and health sector. National Star, like other care and specialist organisations, experienced staff shortages as the UK economy reopened from the pandemic and decided in 2021 to take positive action. There was a review of pay structures, especially for those involved in Care Quality Commission regulated activities.

In October 2021, trustees and senior managers took the unprecedented decision to use the charity's reserves for a range of measures to retain quality staff and recruit new ones. New rewards and benefits were introduced, including a retention payment for those who remained with National Star from 1 October 2021 – 1 October 2022. Other incentives included thank you payments and a reward for referring someone to work for National Star (based on them passing their probation period). Funds were also allocated to a more rigorous recruitment campaign to attract talented and committed staff. The combination of these incentives has helped National Star to achieve its lowest vacancy rate in recent years.

The charity has 1,232 staff (as of 31 August 2022), many of whom are part-time or term-time staff, representative of and drawn from the surrounding local communities, with 8.3% declaring a disability and 22.6% declared as non-white British or black and minority ethnic, which was in line with the charity's Equality and Diversity targets. The gender split is 75% female and 25% male.

All staff are represented through the LINK Group, an elected staff consultation group working with and for staff across the organisation. The charity's whistleblowing policy and procedures also encourages staff to raise any concerns they may have.

Directors engage with staff through the governance structure. The Board of Governors has delegated oversight responsibility for the operational aspects of National Star's activities.

We operate an Equal Opportunities policy in respect of all employees and prospective employees. The charity maintains fair employment practices in the recruitment, selection, retention and training of all staff. All staff are subject to necessary Disclosure and Barring Service (DBS) checks and safeguarding training.

Inspection outcomes by local authorities, Ofsted, Estyn and the Care Quality Commission confirm that the processes and people are in place to maintain a very high standard of provision.

96%
of staff said they were proud to work at National Star*.

12,000+
training hours given to our staff.

*based on National Star staff survey 2022

National Star has long had a reputation of being an organisation where staff have opportunities to personally develop and progress their careers. Seven of the nine members of the Senior Management Team started in other roles within the charity. This year there are six staff completing a postgraduate certificate in leadership at the University of Gloucestershire.

The charity's in-house training team provided more than 12,000 hours of training and development, through face-to-face sessions and eLearning. There are 70 staff working on care apprenticeships with seven training in leadership and management in adult care. Six are working towards their nursing or physiotherapy degrees and a further two are working on postgraduate qualifications.

National Star has an open policy in seeking and encouraging staff views. Results from a comprehensive staff survey, which was completed by 63% of the workforce in June 2022, reflected that staff are proud to work for National Star (96%), feel valued by their manager (89%), and would recommend it to others as a place of work (87%).

Feedback – positive and negative – from the staff survey helps National Star build on its good working environment. In 2021 – 2022 an internal communications officer was appointed as part of wide-ranging programme to improve internal communication. Further feedback is being sought on how National Star can improve its equality, diversity, and inclusion for staff. Feedback from a survey on staff social and sports activities has also informed the creation of a range of new events.

To recognise commitment to the charity, the first staff long-service awards evening was held in October 2022.

Ambitions

For the year ahead

- Promote career development with the launch of a staff prospectus and careers fair.
- Set up a task force to look at ways to further enhance the charity's Equality, Diversity and Inclusion (EDI).

What we achieved last year

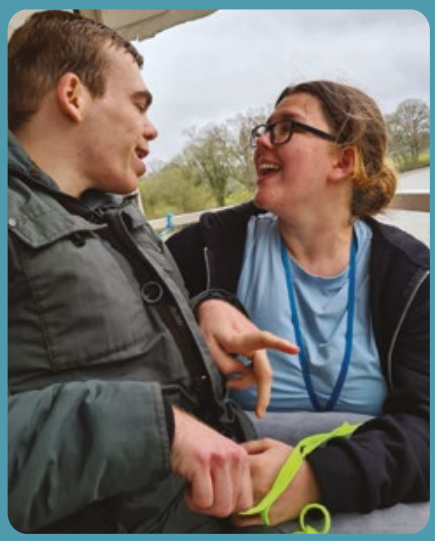
- *Developed a range of incentives to retain and reward staff.*
- *Created a more robust recruitment programme to attract high quality staff to the charity.*

Charli

Without National Star...

> "I wouldn't have this job that I love'.
>
> **Charli, Senior Facilitator**

National Star senior facilitator Charli Stenner was honoured for her commitment to her work at the BBC Hereford and Worcester Make a Difference Awards.



She won the keyworker award after being nominated by the mother of a resident she supports at National Star's long-term residence in Ledbury Road, Hereford.

'I never expected to get an award for what I do every day at a job that I love. It's the most rewarding job I have ever done,' says Charli.

Charli was nominated by mum Karen Bacciochi. 'Charli has been my son's key worker for two years and I couldn't wish for a better person to be involved with the wellbeing of my son Lewis,' says Mrs Bacciochi.

'Charli is a "hands on" person who tries to get into Lewis's world, be on the same level as he is, encouraging him to do more. She speaks to Lewis as "an individual person", never talks down to him, treats him as an adult.'

'I come across people who in the past have been told they can't do certain things because of their disabilities or their needs,' says Charli.

'I am able to make every day an achievement for them and to be able to accomplish whatever it is that they want to accomplish and that makes me happy.'

Charli started at National Star in 2019 as a facilitator, who provide care and support for residents. In May 2022 she was promoted to senior facilitator.

Tallulah, age 28

Without National Star...

> “Tallulah would not have the quality of life she enjoys today”

Parents Maggie and Peter

Tallulah enjoys a life with National Star that her parents never dreamt was possible. Before starting at National Star as a residential student, Tallulah, who has Angelman Syndrome, couldn't cope with going to different places or going out to eat with her family.

The family was told by many colleges when they were looking for a place for Tallulah that they could not accept her because of concerns for her safety.

National Star was the exception. During her three years at National Star, Tallulah grew more confident and became calmer and more content within herself. She learned to dress herself, cook a bit and, more importantly, to access the community and socialise. She learned to manage her behaviour and the team learned to understand what triggered her behaviour.

When she finished college, she moved to National Star's long-term living accommodation at Bradbury Gardens, where she continues to progress and develop, constantly surprising her family with her achievements.

'Her life is so much better than we dared hope. If you had told me that our daughter could live the life she does, that she would socialise with others and simply be a young woman like anyone else her age, I would never have believed you,' says her parents Maggie and Peter.

'We simply wouldn't have believed Tallulah was capable of doing what she does.'

In the past year National Star raised £2.4m in voluntary income

Income generation

While the coronavirus pandemic had a massive impact on areas of additional income generation at National Star at the beginning of the year, the fundraising and charity retail teams achieved some remarkable successes in 2021 – 2022.

The fundraising team, in July, launched the £1.5m public appeal as part of our £6.2 million appeal to build a new specialist residence at the campus in Ullenwood. They also staged their inaugural Sunrise Walk – their first event since the beginning of the pandemic – which raised £16,128. We opened our second charity shop in Cheltenham in 2021 and despite the lockdowns, the shops generated £54,307 during the financial year.

Whilst most of the charity's services are largely funded through statutory sources, we are dependent on our fundraising and other income generation activities to help fund our specialist facilities and to enhance the resources and experiences for those who depend on what we provide.

The charity took the difficult decision during the pandemic to close its sites to external visitors to protect those who depend on its services. This decision had serious repercussions for both fundraising events and for income generating activities, but we had to prioritise the health and wellbeing of the learners, residents and service users. The Sunrise Walk was held at Ullenwood and marked the return of visitors to our charity. In May 2022 we reopened **Star**Bistro to the public.

Fundraising

The generosity of supporters has been crucial during these past years. Despite the challenges of the pandemic, National Star raised £2.4m in voluntary income. Fundraising successfully ran two mailing appeals, staged out two events and continued to promote its legacy programme.

Trusts and foundations

Gifts from trusts and foundations made up 30% of the charity's total voluntary income for the year. Ten trusts and foundations supported our main capital appeal, Building a Brighter Future, (see page 25) while 19 others supported a number of projects and equipment needs.

Other projects supported included the B&Q Foundation donating £5,000 towards the refurbishment of a bathroom in one of the Ullenwood residences; Renishaw Plc (from The Renishaw Charity Committee) donated £4,000 towards a Neurofenix NeuroBall, a smart device which provides engaging physiotherapy exercise for those working on developing or maintaining fine motor control of hand, wrist and forearm, and the Mumford Memorial Trust donating £5,000 to support our work in Hereford.

Major gifts

Major gifts comprised 3% of the charity's total voluntary income for the year.

Events, corporate partners and community support

Events, corporate fundraising and community support was partly affected by the pandemic and the associated lockdowns, raising 2% of the charity's total voluntary income.

The charity staged its first Sunrise Walk which saw 130 people take part and then the Wing Walk. Support from the local community came from an extensive range of groups, businesses, schools and individuals who staged golfing events, held concerts and fetes and aided collections.

Corporate partners provided invaluable support. We were the chosen charity for the 2021 Cheltenham Beer Week. Our corporate supporters included The Property Centre, Allstone, Circle 2 Success and Harry Buckland Car Dismantler.

Individual giving including Gifts in Wills

Gifts from individuals, in the form of donations, Gifts in Wills and taking part in the National Star Lottery, generated 60% of total voluntary income. Through regular communications, such as mailing appeals and the twice-yearly **Star**News, donors see the incredible difference their support has made whilst appreciating the charity's continued need to raise funds to support the specialist accommodation and facilities.

Charity retail

Our charity retail operation is becoming a key income generation stream for National Star. The second shop opened in Cheltenham in November 2021. Along with the original shop in Hucclecote, Gloucester, they generated sales of £255,022 with a further additional £13,100 from Gift Aided sales. Our 32 volunteers donated more than 4,900 hours to our shops, enabling us to generate £54,307 income for the charity. In March 2022, National Star launched its eBay shop which allows the charity to sell items to a wider audience.

The Charity retail team took part in the government's Kickstarter programme that helped unemployed young people into or back into work. As a result of this, National Star recruited a new deputy manager for the Cheltenham shop. The shops also sold learner-made work and have provided work experience placements for learners.

Social enterprises

With the growing demand for our learning programmes and the changes resulting from the pandemic, the charity has reduced some of its conference and events activities. During the summer National Star welcomed 75 residents as part of the Salvation Army summer camp. The charity is passionate about sharing its accessible facilities where it can.

The focus of **Star**Glamping, **Star**Golf and **Star**Bistro is to provide meaningful work experience and learning outcomes for the students. **Star**Golf formed a partnership with Cotswold Hills golf course, which enables players to become members at **Star**Golf while on Cotswold Hills' waiting list. In the past year, 6,619 rounds of golf were played. Learners undertake tasks such as tidying bunkers, picking up obstacles and welcoming golfers. Learners are involved in setting up the glamping pods for visitors and dealing with queries. Details about **Star**Bistro can be found in the Education and Personal Development section on page 12.

Thank you for your support

National Star is grateful to all the people and organisations that have supported the charity. Together we have made a huge difference to the lives of young people with complex disabilities. The challenge is to meet the growing demand for National Star's specialist support. By raising awareness of the impact of our work, by working closely with supporters and by engaging new ones, National Star will strive to meet that demand.

Ambitions

For the year ahead

- Further develop our charity shops and open the charity's first shop outside Gloucestershire.
- Upgrade the supporter database.
- Review our fundraising activities and invest in establishing and maintaining future income streams.
- Achieve the £1.5 million public fundraising target for the Building a Brighter Future appeal.
- Establish regional fundraising so to expand our geographical coverage.
- Further develop in-person events and visits to the charity, including regular supporter tours.
- Develop a range of fundraising events to attract a wider audience of supporters.

What we achieved last year

- *Opened our second shop in Gloucestershire.*
- *Launched a capital appeal for the Building a Brighter Future project and now have just under £500,000 to raise.*
- *Maintained communications with our supporters.*
- *Relaunched a range of face-to-face supporter events and fundraising events.*

Fundraising practices

We have high standards about the way our fundraising is undertaken, and how we communicate with supporters and the public as set out in our Supporter Promise.

Fundraising activities are carried out in accordance with the Code of Fundraising Practice, and we comply with the law as it applies to charities and fundraising. We are members of the Fundraising Regulator's voluntary regulation scheme and display the Fundraising Regulator badge on all our fundraising materials.

To ensure volunteers and third parties uphold these standards when undertaking fundraising on our behalf, we make sure they have the information and tools needed to be compliant.

Our complaints process is clear and easily accessible. Complaints received are recorded and investigated in line with the charity's complaints policy. In 2021 – 2022 we received no complaints about our fundraising activities carried out by the charity or someone on behalf of the charity.

We entered a short-term Commercial Participator Agreement with the Cheltenham Beer Week Committee during Cheltenham Beer Week 2021.

Our fundraisers are aware of the need to be sensitive and careful when engaging with vulnerable people, and our approach reflects this. We never put pressure on anyone to make a gift, and if people do not want to give or wish to stop giving, we respect their decision. We do not engage in doorstep fundraising and we don't use services of external call centres or sales canvassing companies to support our fundraising activities. We never sell or pass on supporter details to other organisations.

We make it as easy as possible for people to contact us to opt-out of receiving communications from us, or to change the method of communication, including working with the Fundraising Preference Service.

Registered with FUNDRAISING REGULATOR

Building a Brighter Future

National Star is building a new £6.2 million specialist accommodation at its main campus in Ullenwood so learners with complex disabilities have all the facilities, resources and specialist medical, therapy and support teams on–site, in specialist accommodation which fully meets their needs.

We urgently need to replace older facilities in Gloucester which are no longer suitable for young people with the most complex disabilities. Construction on the new residence began in July 2022 and learners will move in for the 2023/4 academic year.

The appeal was launched at a gala event at Ullenwood in July, and thanks to the generous support of individuals, businesses and organisations, we are hopeful of reaching our target in the near future.

During the year, our generous supporters included Hobson Charitable Trust, Edward Cadbury Charitable Trust, the Saintbury Trust, The Elizabeth Frankland Moore and Star Foundation, St. James's Place Charitable Foundation, the Oliver Ford Foundation, Garfield Weston Foundation, the Schroder Foundation, the Rowlands Trust and the Spirax Sarco Charitable Trust.

The new residence will be an exemplar of supported specialist living and learning accommodation for young people with complex care needs, providing 12 ensuite bedrooms, wide corridors, a range of communal and sensory spaces, an additional assessment suite and accessible gardens.

The experience of living at college will help young people with severe and complex disabilities learn to live more independently, develop stronger life skills, build self–confidence and better support their learning and development.

The accommodation has been designed by Cheltenham architects coombes:everitt and is being constructed by regional contractor Speller Metcalfe.

The specialist facilities are due to open in September 2023

The new residence will include 12 ensuite bedrooms

Plans for the future

National Star's success – and future growth – depends on the quality of our staff and facilities

Maximising our potential

We are passionate about supporting more young people with disabilities to achieve their aspirations. While National Star supports hundreds of young people and their families every year, there are hundreds more who are unable to realise their potential.

For National Star to achieve its aspirations for others, we need to focus on being the best that we can be. That means ensuring the charity is sustainable and ready to grow when those opportunities arise.

The charity's success – and future growth – depends on the quality of our services. Investing in both staff and facilities will enable us to protect that quality which National Star is known for.

That is why the charity is focusing on recruiting the best multi-disciplinary teams and investing in their professional development. Over the coming years we will focus on staff development and retention, with a particular emphasis on the development of leadership and management skills across the organisation.

To have the capacity to grow, the charity also needs to build expertise, improve internal systems and processes, and invest in facilities. The high quality of facilities and specialist equipment underpins the quality of our provision.

We aim to focus on delivering high quality learning programmes and providing high quality care services for young people with complex physical and learning disabilities. We will look to provide more education and personal development programmes in more locations, in partnership with mainstream colleges, so that more young people can access them.

There is a growing need for more long-term living communities like those provided by National Star. Over the next year, we aim to ensure we can create and maintain sustainable long-term living communities in England and in Wales. Our ambition is to open our first long-term living community in Wales by 2026.

Another priority in the years ahead is to further safeguard our financial security by investing in additional income opportunities beyond local authority and health funding, while improving the quality of life for young people with complex disabilities. We will do that by developing a programme of information and knowledge sharing activities for professionals and families, nationally and beyond the UK. By sharing our expertise through training and consultancy, we will also share our best practice.

This sharing of expertise is also an important part of our desire to be seen as a leader in the sector. We know what young people with disabilities can achieve with the right level of high quality care and support. National Star is well positioned to influence the quality of specialist education and care young people with disabilities receive from providers across the UK, through training and developing colleagues across the sector.

By working with a greater number of individuals, businesspeople, opinion formers and decision makers across the country, we can focus on the long-term benefits of appropriate care and personal development for the young people themselves and for the wider society.

National Star, as a recognised leader in the sector, wants to shine a light on young people with disabilities so that the wider community can see what potential these young people have. With the right support, young people with disabilities can play an active role in society and make our communities better places to live.

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Principal risks and uncertainties

National Star's Board of Trustees is responsible for ensuring that effective and adequate risk management and internal control systems are in place to identify and manage the key risks to the charity.

The Board of Directors and Trustees are responsible for overseeing the risk management process. This process involves a consistent approach to identifying, assessing and mitigating the risks facing our charity to ensure they do not exceed the level of risk we are willing to accept. It is designed to manage, rather than eliminate, risks to our charitable objectives and to provide reasonable assurance against material risks.

The processes in place regarding risk management include the following:

- A comprehensive risk management framework consisting of five sections: key controls, internal assurance sources, external assurance sources, current residual risk level and target risk level. The risks are regularly reviewed by the Senior Management Team, other risk 'owners' and the Head of Risk and Compliance, and documented in a risk register.
- The Risk and Assurance Committee reviews the framework and receives regular reports from the Head of Risk and Compliance and the Chief Executive on the effectiveness of controls.
- The committee, as well as reviewing risk controls, also considers and reviews the top strategic risks.

Ongoing impact of the pandemic on our risk profile

The pandemic, and the response to it, continued during the first half of 2021 – 2022 to have a significant impact on all the charity's activities and the external environment in which National Star operates.

The focus of the risk management strategy throughout the pandemic was on limiting its impact, with the immediate areas of focus being on business continuity and organisational resilience. The charity had a duty of care to its beneficiaries and to its staff. Managing risks relating to the health, safety and wellbeing of the young people and adults we supported, made more challenging because of their vulnerability, medical conditions and disabilities, was of paramount importance.

Providing that continuity of care throughout the lockdowns was complicated by staff shortages and staff absence, and interpreting government and public health guidance for our specialist education provision, as well as our high level of adult social care and other services.

While the government safeguarded most education and care fees, the charity faced increased costs for infection control and operational costs due to the rising rate of inflation. To limit the risk of infection, all our sites remained closed to the public and at the Ullenwood campus social enterprises closed to the public, though continued to operate as part of learning programmes. We started a phased reopening from May 2022. The cessation of income generating activities until April/May 2022, and the inability to hold fundraising activities, impacted on the organisation's immediate and future additional income generation.

Joshua, age 25

Without National Star...

"I would never have found my voice as a disability campaigner."

Former student Joshua

Joshua says National Star helped him realise his dream of being a disability rights campaigner. In the 2022 New Year's Honours, the former learner was awarded a British Empire Medal for service to people with disabilities.

It was while Joshua, who has cerebral palsy, was a residential learner at National Star in 2015 that he launched his campaign Don't Call Me Special.

Now Joshua, who lives in Cardiff, works part–time as a paid Campaign Support Officer for a national disability charity, as well as developing his own campaign and working with other organisations. He was the guest speaker at the Leavers' Ceremony for National Star in Wales in 2022.

In 2017 he was part of the National Star delegation taking part in the Commonwealth Conference in Antigua. Last year he was part of a steering group commissioned to do a report for the Welsh Government on how the pandemic is affecting disability rights.

'My campaigning journey started at National Star and thanks to everyone there, from the customer services team to the occupational therapist, I now have a career in what I believe in and live as independently as I can,' says Joshua.

Joshua was also one of the stars of the BBC3 documentary series, The Unbreakables: Life and Love on Disability Campus, in 2015.

National Star receives some 80% of its total income from fees for services, with the remaining 20% of income generated by fundraising and other programmes or income generation activities.

During the pandemic, National Star's principal objective was to remain open to support its beneficiaries and their families while protecting the staff. From the beginning of the academic year in September 2021, National Star was operating with almost 100% of its residential learners and a high percentage of day learners. This became a challenge when there were increased levels of staff absence due to coronavirus, especially in January 2022, and as we limited staff movement between clusters of residents or learners to limit risk of infection.

To mitigate the risk of losing valuable staff and to support them during uncertain times, the trustees agreed to release additional resources from the charity's reserves. This was used to enhance pay in line with cost of living, offer retention and other incentives and to invest in the organisation's recruitment marketing. To relieve the pressure of work on staff, National Star took the decision to leave some residential learner places unfilled for part of the year. While this helped with the pressures of work in service delivery, it did result in loss of income for the charity.

Decisions at that time included: ongoing governance review of the charity's risk and financial position; the review of public access of all sites; the review of education and therapy delivery to enable services to continue as much as possible either in person or virtually; moving all non-learner or resident-facing operational and administrative services to remote working and then returning to campus for the second half of the year, investing in staff retention and recruitment to ensure the charity had the workforce it needed to deliver high quality services.

Our risk profile going forward

While the pandemic has abated – though variants continue to cause spikes in staff absence – several other risks have increased. These include potential risks relating to:

- The impact on our income of the wider macroeconomic crisis in the long-term as local authorities and the government begin to pay back the huge deficit created during the pandemic.
- The impact of the macroeconomic crisis in the short-term, especially with the increasing rate of inflation and rising energy costs, on operational costs and the challenge to negotiate fee increases with local authorities to reflect those increased costs.
- The impact of the macroeconomic crisis and current labour shortage, especially in the care sector, on staff retention and recruitment.
- The impact on our capital development programme and maintaining the quality of facilities, due to the impact on fundraising and other income generation activities, again affected by the wider macroeconomic crisis.

We continue to address several ongoing risks in key areas, such as recruitment and retention of staff, compliance with legal and governance requirements, information security and maintaining our reputation of providing high quality services. The major risks we face are noted in the table below:

Risk	Mitigation
Workforce planning Inability to recruit, develop and retain appropriate quality and quantity of key staff. These could include several risks which are heightened due to staffing issues: – Significant Health and Safety incident. – Significant Safeguarding incident. – Failure to provide necessary care and nursing requirements.	– Improve recruitment processes. – Review rewards, benefits and support. – Review training and delivery. – Promote career progression. – Implement improved systems.
Failure to address the health and wellbeing of staff and support their ability to perform their roles.	– Improve internal communications. – Review of policies and procedures for areas of critical importance to Human Resources. – Complete workplace risk assessments in line with pandemic procedures.
Reputation and trust Events may occur which adversely affect our reputation, operations or levels of stakeholder trust in us. – Impact on quality of services by staffing numbers. – Inability to match staff capacity to learner numbers. – Serious data security breach (from a cyber attack or non-compliance with GDPR). – Significant Health and Safety incident. – Significant Safeguarding incident. – A major outbreak of coronavirus within National Star's services. – Lack of compliance with regulations in relation to our fundraising and marketing practices. – Failure to comply with legal or regulatory requirements – Failure to ensure that Governance is robust and fit for purpose.	– Review organisation-wide risk management programme. – Review mandatory training and re-introduce more face-to-face training. – Review information security policies and procedures and monitor compliance in critical areas. – Review infection control procedures. – Further develop safeguarding. – Maintain strong links to external safeguarding professionals. – Review of Governance started in 2021 – 2022.
Care and support services Failure to maintain high quality delivery of care and support, resulting in 'unacceptable quality' in care in line with Care Quality Commission criteria.	– To maintain a robust review programme to service delivery. – Carry out mandatory staff training combined with appraisal. – Review how care is delivered and what can be done to ensure safe delivery. – Further develop marketing for recruitment, development and retention of care staff.

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Risk	Mitigation
Learning and Personal Development programmes Failure to maintain high quality delivery of education and therapies programmes, resulting in 'unacceptable quality' in education and / or therapy in line with the updated Education Inspection Framework.	– Maintain and monitor ongoing clinical observation process. – Enable staff to develop their skills and expertise. – Prepare staff for return to visits by Ofsted and Estyn (the Welsh inspectorate). – Promote National Star as employer of choice to attract high quality professionals.
Income generation Inability to obtain and manage sufficient statutory funding. A key risk is, due to delayed decisions on funding by local authorities and the high number of extension requests, that there are not sufficient places to meet demand for September 2023.	– Develop effective relationships with individual statutory funders (local authorities) with the focus on value for money and levels of income. – Research and monitor government (England and Wales) direction on High Needs funding and engaging with key decision makers in government, local authorities and the NHS.
Inability to obtain and manage statutory funding due to risk of relevant evidence not available for regulators.	– Develop internal recording process to manage increasing requirements for audit by regulators. – Review staffing levels / structure and practices to ensure National Star can keep ESFA auditing requirements current and meet compliance by regulators.
Inability to meet rising operational costs due to increased inflation, staff and energy costs.	– Develop effective relationships with individual statutory funders (local authorities and NHS commissioning groups) so to successfully negotiate ongoing fees to reflect rising operational costs.
Inability to recruit learners, especially with the concern around sufficient spaces meeting demand in certain service areas.	– Review marketing recruitment strategy. – Engage current parents as ambassadors to promote the charity. – Focus on working with local authorities that haven't previously placed a learner at National Star. – Raise the profile and knowledge of the Welsh offer. – Maintain strong communication with parents.
Significantly reduced income from fundraising and other income generation activities, as a result of the pandemic and the increased cost of living crisis. A key risk associated with this is also how to restart in-person fundraising and commercial income generating businesses.	– Promote public engagement through National Star's social enterprise areas. – Develop new alternative income streams. – Explore and develop alternative commercial and social enterprise income. – Maintain and develop strong customer / donor relationships.
Quality and quantity of facilities Failure to maintain quality facilities and to be able to build / lease suitable high standard buildings needed to meet service user needs.	– Secure funding and begin building new specialist residence at Ullenwood to replace existing offsite building no longer fit for purpose. – Evaluate capital projects in light of the changing environment. – Develop a long-term strategy to engage trusts and foundations and create new innovative fundraising initiatives. – Monitor and develop contingency planning. – Prioritise capital projects subject to affordability.
Organisational response to the pandemic Failure to develop and implement a coherent and coordinated continuity business plan in relation to the ongoing pandemic.	– Constantly review the organisational business plan. – Ongoing horizon scanning for threats and opportunities. – Development of swift responses to changes. – Development and ongoing review of contingency plans.
Financial stewardship Failure to effectively manage reserves to sustain operations during and post the pandemic.	– Reserves policy in place and compliance with policy monitored. – Ongoing monitoring of financial position. – Review of investment strategy.
Operational effectiveness Technology risks including: – Performance of the technology infrastructure with mix of online / in-person working, particularly given the increased focus on, and importance of, online / virtual fundraising systems. – Technology strategy, including associated levels of investment and improvement in technology, fails to keep pace with developments in the external environment during and post-pandemic. – Reliance on small companies developing the organisation's critical systems. – To invest in and improve Project Management	– Invest in skills and competencies of the IT team. – Implement appropriate safeguards and controls to protect work and IT systems. – Ongoing assessments of resilience and performance of technology. – Refreshed prioritisation criteria to decide how to allocate resources to technology projects. – Review delivery model. – Invest in the development of IT systems and review. – Establish business improvement directorate and Project Management resource.

Environmental, social and governance

Structure and management

In accordance with the Memorandum and Articles of Association (as incorporated 20 August 1953 and last amended 9 January 2012), individuals may apply for membership of the company.

The directors of the company, who are trustees of the charity, are elected by the members of the company at the annual general meeting. The charity carried out a proactive governance recruitment campaign in August–September 2021 to strengthen the boards with additional expertise. A broad range of marketing activities were used to encourage a diverse range of people to apply.

New trustees / directors are considered based on their skills and relevant experience alongside the balance of existing skills and experience amongst the board, and regular training is provided. Following a selection process, four people – two as trustees and two as governors – were appointed as a result of the recruitment campaign.

Between annual general meetings the directors may appoint additional directors, up to the maximum number, from the members of the company. The directors are also trustees of the registered charity. The charity indemnifies its directors and officers against the consequences of any neglect or default on their part through an indemnity insurance policy. The trustees have given consideration of guidance provided in the Governance Code and undertaken a review of Governance Structures and members.

Committees of the Board

Eleven trustees served on the main board during the year, all volunteers from a range of professional backgrounds and sectors. The board is chaired by Paul Styles. Trustees are not remunerated for their role, though they are entitled to be paid out-of-pocket expenses (see note 8 to the Financial statements).

As the charity is a company limited by guarantee, the trustees are also the company directors. The board delegates certain powers in connection with the charity's governance and administration through its committee structure. This delegation is controlled by requiring the committees to report back regularly to the board, ensuring that all decisions made under delegated powers are ratified by the full board.

All committees operate under agreed terms of reference, provide meeting minutes and report to the board on key areas of work undertaken. Other working project groups are ad hoc as required.

The board meets quarterly. Due to the pandemic, the board and its committees held meetings online until June 2022. Trustees, governors and committee members also received regular operational updates from the Chief Executive. Some committees held additional meetings (until May 2022) to monitor and address the impact of the pandemic on the charity.

Board of Governors

The Board of Governors has delegated oversight responsibility for the operational aspects of National Star programmes and activities, including safeguarding, quality and achievements.

One trustee also sits on the Board of Governors. The Board of Governors meets quarterly and operates within terms of reference agreed by the Board of Trustees.

Finance and Investment Committee

The Finance and Investment Committee meets quarterly and is responsible for the oversight of the charity's financial affairs. The committee has a duty to keep a watching brief and provide advice, where appropriate, on potential and actual financial opportunities and threats, liaising with the Risk and Assurance Committee as appropriate. The committee met more frequently at times during the year to review areas of potential impact of the pandemic on the financial sustainability of the charity.

Risk and Assurance Committee

The Risk and Assurance Committee meets quarterly and is responsible for reviewing the charity's risk assessment, risk management and internal control systems and processes. It may investigate any areas of concern or perceived risk. It acts as the corporate recipient of any information in line with the whistleblowing policy and to ensure that appropriate action is taken.

Advisory Board

The Advisory Board is made up of student governors, an adult learner representative, Student Union President, former learners and members of the community, and acts as a consultative and representative group of the charity's beneficiaries to help inform the charity's plans and as part of its stakeholder engagement.

Nominations Committee

This working group includes representatives of trustees and governors to recruit trustees and governors and determine senior renumeration. During 2021 – 2022, this committee took lead responsibility for the recruitment process of a new Chief Executive.

Chief Executive

Day-to-day management of the charity is delegated to the Chief Executive, David Ellis (until 31 August 2022) and then Lynette Barrett (from 1 September 2022), supported by the Deputy Chief Executive, Chief Operations Officer, Principal and a senior management team. The board set the pay for key management personnel (as detailed in note 8) by relation to industry standards and organisations of a similar size and activity.

Public Benefit

The trustees confirm that they have complied with the requirements and duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit; 'Charities and Public Benefit' and that the extensive charitable purposes and provision of the charity, particularly in the areas of education and disability services, are for the public benefit.

Subsidiary undertakings

Two subsidiary undertakings operated during the year. NSF Trading Limited (company number 01168043) operated as the organisation's trading subsidiary for non-charitable purpose trading. NSF Design & Build Limited (company number 08628807) undertakes accommodation and facilities development projects on behalf of the charity. Both subsidiaries generated surpluses in the

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year after direct costs, administrative costs and audit fees (as detailed in notes 2a and 2b to the Financial statements) which resulted in Gift Aiding a total of £98,175 *(2021: £37,119)* to the charity. Shareholdings are disclosed in note 10 to the Financial statements.

Trustees (Directors)

Name of Trustees (Directors)	Risk and Assurance Committee	Finance and Investment Committee	Governor	Advisory Board	Nominations Committee
Paul Styles (Chair of Trustees, Finance and Investments and the Nominations Committee)		●			●
Francis Allcock (from March 2022)					
Peter Barefoot (from March 2022)					
Liz Cadman (Chair of Risk and Assurance)	●				
Brian Chatfield		●			
Tim Cooper (Deputy Chair of Trustees)					●
Chris Hallam (from October 2022)		●			
Robert Hayman-Collins			●		
Chas Howes	●	●			
Jonathan McMahon (until April 2022)		●			
Matt Shayle	●				
Margaret Sheather (Trustee from January 2022. Governor until October 2021)					●

Other Governors, Advisory Board and Committee Members

Name of other Governors, Advisory Board and Committee Members	Governor	Parent Governor	Student Governor	Staff Governor	Advisory Board	Risk and Assurance Committee	Nominations Committee
Mary Saunders OBE (Chair of Governors)	●						●
Kim Anderson (from January 2022)		●					
Andrew Evans (Chair of Advisory Board)					●		
Elliot Caswell (until July 2022)			●		●		
Jason Felce					●		
Margaret Goldie	●						
Chris Harber						●	
Sue Hawkins				●			
Andrea Lewis	●				●		
Jane Matheson (Deputy Chair of Governors)	●				●		
Chelsea Pettitt (from September 2022)			●				
Chris Ratcliffe (from April 2022)	●						
Andrea Riga					●		
Nikki Richardson (from April 2022)	●						
Dr Lara Rowlands (from October 2021)	●						
Seb Sargeant (until May 2022)					●		
Barry Seamons (Governor until October 2021)	●				●		
Francesca Vismara					●		
Alisha Williams					●		

Trustees' duty to promote the success of the Charity (Section 172 statement)

Trustees as directors of the company have a duty to promote its success and, in doing so, are required by section 172(1) of the Companies Act 2006 to have regard to various specific factors, including:

- The likely consequences of decisions in the long-term.
- The interests of employees.
- The need to foster relationships with third party stakeholders.
- The impact of the organisation's operations on the community and the environment.
- The desirability of the organisation maintaining a reputation for high standards of business conduct.
- Maintaining a reputation for high standards of conduct.

Day-to-day management is delegated to the Chief Executive and a senior management team, who are required to act in furtherance of the charity's purpose and organisational strategy and to ensure that activities are carried out in compliance with policies approved by the board. The trustees and governors review strategies to assess progress and to identify areas of focus for the following year and beyond. Policies are reviewed periodically by the board or on its behalf by board committees.

The board receives regular updates on the organisation's performance and progress with its plans for the future direction of the charity. The board and its committees keep under review the charity's principal risks and its risk appetite, considering emerging risks and regularly reviewing changes in the charity's risk profile and responses. By ensuring that management act in accordance with the strategy and in compliance with specific policies, the board and its committees obtain assurance that in promoting the success of the charity, due regard is given to the factors set out in Section 172.

Engagement with the charity's main stakeholder groups is discussed in the section 'Engaging with stakeholders'. The charity's senior management team regularly report to the board and its committees on key stakeholder relations and engagement activities, current issues and relevant feedback received from interaction with stakeholders.

The likely consequences of any decision in the long term

The charity's strategy is based on its ambition to deliver and further develop high-quality, relevant education, care and support services for people with disabilities. Trustees and management continued to review the long-term strategic plan – titled Maximising Potential – and areas of potential development of the charity's learning, education and care services. The trustees' discussion of all aspects of the future direction of the charity's work is informed by the feedback received from engagement with stakeholders.

The desirability of the charity maintaining a reputation for high standards of business conduct

Trustees have responsibility for setting the charity's culture, values and standards, and ensuring that its obligations to its stakeholders are met. The charity has in place a range of policies and processes that promote

corporate responsibility and ethical behaviour. Areas covered include fundraising (National Star's fundraising practices are discussed on page 24), safeguarding, equal opportunities and whistleblowing. All these policies are reviewed periodically and updated as necessary by the board or the relevant committee and are subject to periodic review of compliance.

The board and its committees regularly review guidance from the Charity Commission and other regulatory authorities and take on board any recommendations regarding good practice. The charity's core activities support vulnerable young adults and maintaining very high safeguarding processes is central to its operations.

It is essential that public trust in the charity is maintained and not damaged because of accepting donations from inappropriate sources. The board has approved a policy that enables trustees to refuse a donation which may be considered unethical.

Engaging with stakeholders

Through regular engagement with key stakeholders, trustees and the senior management team maintain an understanding of stakeholders' needs that informs how the charity defines its organisational objectives, policies and strategy. The board's decision–making process considers the impact of potential decisions on relevant stakeholders, and the board obtains assurance that proper consideration is given by its committees to stakeholder interests through regular reports from each committee.

Service users

These are the young people and adults with complex disabilities and learning difficulties who use the charity's services and their families. Learner voice is very important to National Star. There is an active elected Student Union who were consulted over the year about a range of issues, from changes to infection control procedures in relation to COVID–19 to the design and development of a new residence at Ullenwood. Members provide updates to the Board of Governors and are involved in staff recruitment and training. Feedback from learners and service users informs organisational improvements. Learners and parent governors have a voice on the Board of Governors and parents, and learners and former learners are involved with the Advisory Board. The care and education teams continuously review learners' progress and residents' support to ensure they, and their parents, are kept informed and that the service users have an active say in their lives. Learners also work with governors and trustees on their strategy day, giving presentations and answering questions on young people's aspirations for the future. Regular virtual Parent Forums are held throughout the year.

Local authorities and other funding bodies

National Star's core income comes from fees paid by local authorities, the NHS and the Education and Skills Funding Agency (ESFA). The charity works closely with these bodies to ensure it is meeting the needs of the young people in its care. The charity has also worked closely with local authorities to provide local provision.

SEND education and care communities

As a centre of excellence, National Star is committed to sharing best practice and its expertise. It consults and works closely with a range of professional bodies and specialist organisations to develop resources and share knowledge in the UK, Europe and the wider world. National Star continued to work with The Education Training Foundation to support the development of high–quality programmes and practice across the FE sector and support a project with Erasmus+ which is looking at disability employment from school to the workplace. The charity also contributes to the Natspec practitioner network.

National Star worked with learners and parents to ensure their views were reflected in the charity's submission to the 2022 SEND Review: right support, right place, right time.

Key opinion leaders and other influencers

National Star works closely with key opinion leaders and influencers – both parliamentarians and national bodies. For example, we work closely with NHS England, NHS Wales, Public Health England, Ofsted, VODG, Estyn, Association of Colleges, Natspec (the membership association for organisations which offers specialist further education and training for learners with learning difficulties and / or disabilities) and the Care Quality Commission to help shape and inform policy to secure the best outcomes for young people with complex disabilities and learning difficulties. We strive to work in partnership with other SEND bodies in pursuing shared policy outcomes. In May, the Student Union hosted and chaired the Natspec Student Parliament, leading discussions with over 100 learners from 25 other specialist colleges. In July, National Star hosted an Ofsted consultation session involving a group of learners about their new approach to inspecting local authorities.

Supporters

National Star consults its supporters about its fundraising activities in several ways. The charity engages with supporters on a regular basis through tailored communications to specific audiences. This includes face–to–face visits, telephone and virtual conversations, and written communications. Several supporters are invited to share in celebratory events at National Star, providing them with the opportunity to meet beneficiaries and their families. National Star staff visit many community groups and organisations to talk about the charity's work and its fundraising needs. With the easing of COVID–19 restrictions, National Star resumed its 'open door' policy for supporters to visit on an individual or group basis. This gave them the opportunity to learn more about the charity's work and our fundraising, see the impact of their fundraising support and meet beneficiaries and National Star staff.

Staff

The senior management team, with the support of the trustees, provide employees with information on matters of concern to them as employees through various channels of communications, including National Star's intranet, the elected staff consultation group (LINK) and regular update emails and video communications from the Chief Executive, the Chair of Trustees, the Chair of Governors and other senior managers. There are a range of regular staff communications to ensure all staff are kept informed. An annual staff survey was carried out in June 2022, which resulted in actions led by the senior management team. The trustees and the Board of Governors are kept informed about staff relations and regularly review staff feedback and employment policies.

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Supporting the Environment

Sustainability and supporting the environment plays an important role at National Star. Following our success in achieving the Green Impact Gold Award, we have this year achieved the top–level Platinum award. All sections of the charity have been involved.

We took part in various green initiatives throughout the year, including working towards the Hedgehog Friendly Campus Silver Award. In March 2022, 815 trees were planted at the Ullenwood campus. Staff and students were involved in the planting, as well as support from Coberley Parish Council, Cotswold Wardens and staff from local solicitors Harrison Clark Rickerby.

National Star is working with energy consultants Hydrock to produce a carbon management plan based on developing a net zero roadmap. So far submitted are details of our electricity, oil, gas and water consumption, the amount of waste sent for both recycling and landfill, details of our air conditioning plants, and refrigerants and all the journeys made by college transport. Staff have completed a travel survey and the next stage is to collect data on all purchasing and our supplier's travel details.

Streamlined Energy and Carbon Reporting

Type of Emission	Scope	Activity	Unit	2021/22 Quantity	2021/22 kWh Energy	2021/22 tCO2e	2021/22 % of total	2020/21 Quantity	2020/21 kWh Energy	2020/21 tCO2e	2020/21 % of total
Direct	1	Services – Biomass	kWh	2,230,400	2,230,400	23	2%	3,064,410	3,064,410	46	5%
		Services – Gas	kWh	817,081	817,081	150	16%	914,229	914,229	167	18%
		Services – Oil	litres	86,078	1,019,233	273	28%	56,945	674,298	181	19%
		Services – LPG	litres	10,440	75,789	16	2%	10,644	77,270	17	2%
		Owned Vehicles	litres – diesel	51,161	542,662	131	13%	43,561	462,046	109	12%
		Owned Vehicles	litres – petrol	1,242	11,820	3	0%	1,636	15,621	4	0%
Energy Indirect	2	Services – Electricity	kWh	1,795,680	1,795,680	347	36%	1,834,835	1,834,835	390	42%
Other Indirect	3	Personal Vehicles	miles	110,021	129,040	30	3%	82,323	97,363	23	2%
Total Gross Emissions (tCO2e)						**974**				**937**	
Total Energy Consumed (kWh)					**6,621,705**				**7,140,071**		

Intensity Metric Ratio:	2021/22	2020/21
Number of Employees (FTEs)	880	847
Tonnes of CO2e Per Employee	1.11	1.11

During 2021 – 2022, National Star continued with implementing measures to improve energy efficiency, including continued investment in our programme of replacing lighting with LED fittings and BMS expansion works which allows more finite control over certain areas of the Ullenwood site. The original 500kw biomass boiler is also being decommissioned, meaning that during the year a greater proportion of heating energy used was oil, but this will reduce again during 2022 – 2023 when the new replacement biomass boiler is in place. We also started looking into the feasibility of solar panels at our Ullenwood and Bradbury Gardens locations. All our food waste is collected by Grundon for Anaerobic Digestion, converting it to energy. A second route was also added to the staff minibus service to Ullenwood, which reduced the number of single use car journeys to the campus.

This report is provided in accordance with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, which came into force from 1 April 2019. As a large charitable company, National Star is required to provide the following information for the Group in relation to its UK energy use, associated greenhouse gas emissions, intensity ratio and energy efficiency actions.

Methodology

Our reporting methodology was based on the UK Government's Environmental Reporting Guidelines, 2019. Our calculations were based on the UK Government GHG Conversion Factors for Company Reporting (2022). All emissions calculations are derived from activity data representing the Group, including its subsidiary undertakings. Parameters include those emissions for which National Star has operational control. The reporting period is 1 September 2021 to 31 August 2022.

Statement of trustees' responsibilities

The trustees (who are directors of National Star Foundation for the purpose of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the Financial statements in accordance with applicable law and generally accepted accounting practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare Financial statements for each financial year. 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 situation of the charity and the group and of the incoming resources, including the income and expenditure of the charity and the group for that period.

In preparing these Financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities as revised in 2019.
- Make reasonable and prudent judgements and estimates.
- State whether applicable UK accounting standards, comprising FRS102, have been followed, subject to any material departures disclosed and explained in the Financial statements.
- Prepare the Financial statements on the going concern basis unless it is inappropriate to presume that the group and charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the Financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and for taking reasonable steps to prevent and detect fraud, and other irregularities.

In so far as each of the trustees of the charity at the date of approval of this report is aware, there is no relevant audit information needed by the charity's auditor in connection with preparing the audit report of which the charity's auditor is unaware. Each trustee has taken all of the necessary steps in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees confirm that they have had regard to the Charity Commission's guidance on public benefit and report on the charity's objectives and achievements on pages 12 to 19. The reference and administrative details on page 59 form part of the Trustees' Report.

By order of the Board of Trustees, the Annual Report (incorporating the Strategic Report) has been approved by the Board of Trustees and signed on its behalf by:

Paul K Styles
Chair of Trustees
9 February 2023

Peter, age 28

Without National Star...

"Peter would have had to live in a home for the elderly."

Peter's parents Liz and Rob

Consistency is vital to enable Peter to manage his behaviour and feel settled and secure, be that consistency in daily routines or in the staff who work with him.

His parents, Liz and Rob, say the team's professional and consistent approach to Peter has made all the difference to his life. Peter has autism, anxiety and severe learning difficulties.

He attended National Star as a residential student and his parents felt that a similar residential setting would be best for Peter long-term.

'We were concerned that we would not be able to manage Peter on our own as we grow older and there was nothing like National Star in our local area. If he had stayed in Warwickshire, he would have had to live in a home for the elderly and we didn't want that for him.

'We love Peter dearly, sending Peter to National Star for college and then for him to remain as a resident has opened opportunities for him in a safe, secure and happy environment.'

Independent auditors' report

Opinion

We have audited the Financial statements of National Star Foundation ('the charitable company') and its subsidiaries ('the group') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Statement of Cash Flows and notes to the Financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the Financial statements:

- Give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2022 and of the group's income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the Financial statements are prepared is consistent with the Financial statements; and
- The Strategic Report and the Directors' Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- Adequate and proper accounting records have not been kept; or
- The Financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 34, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the Financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of Financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a of as

Independent auditors' report

going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the Financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the Financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the Financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the operations were CQC Regulations for service providers and managers, Ofsted, General Data Protection Regulation (GDPR), taxation legislation and employment legislation.

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

We identified the greatest risk of material impact on the Financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance & Investment Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Ofsted, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the Financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the Financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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

Guy Biggin
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
4th Floor
St James House
St James' Square
Cheltenham
GL50 3PR

Date: 29 March 2023

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National Star Foundation
Consolidated statement of financial activities

(Incorporating an income and expenditure account for the year ended 31 August 2022)

	Note	Unrestricted funds £	Restricted funds £	Total funds 2022 £	*Total funds 2021 £*
Income from:					
Donations and legacies	4/14	1,589,089	818,844	2,407,933	*901,302*
Charitable activities					
Student fees		24,456,997	–	24,456,997	*23,394,021*
Other charitable activities	3	8,271,064	–	8,271,064	*7,135,450*
ESFA capital grants		137,902	–	137,902	*72,132*
Teachers' Pension Grant		128,277	–	128,277	*123,253*
Adult Social Care Infection Control Grant		127,293	–	127,293	*381,539*
Workforce Recruitment and Retention Grant		414,066	–	414,066	–
Other trading activities					
Trading turnover – NSF Trading Limited	2a	150,729	–	150,729	*74,614*
Investments		25,861	–	25,861	*17*
Other					
Other income	5	285,416	–	285,416	*206,260*
Total income		35,586,694	818,844	36,405,538	*32,288,588*
Expenditure on:					
Raising funds	6	321,648	–	321,648	*384,147*
Charitable activities	6/14	35,614,088	192,733	35,806,821	*30,691,087*
Other expenditure					
NSF Trading Limited	2a	58,162	–	58,162	*42,098*
NSF Design & Build Limited	2b	3,797	–	3,797	*2,777*
Total expenditure		35,997,695	192,733	36,190,428	*31,120,109*
Net (expenditure) / income before (losses) / gains on investments		(411,001)	626,111	215,110	*1,168,479*
Net (losses) / gains on investments	10	(131,459)	–	(131,459)	*780,709*
Net (expenditure) / income		(542,460)	626,111	83,651	*1,949,188*
Transfer between funds	14/15	948,199	(948,199)	–	–
Net movement in funds		405,739	(322,088)	83,651	*1,949,188*
Reconciliation of funds:					
Total funds at 1 September 2021	14/15	31,462,620	2,734,756	34,197,376	*32,248,188*
Total funds at 31 August 2022	14/15	31,868,359	2,412,668	34,281,027	*34,197,376*

The notes on pages 41 to 58 form part of these Financial statements.

National Star Foundation
Consolidated balance sheet

As at 31 August 2022
Company Number: 00522846

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	9a	**26,311,181**	*26,162,149*
Investments	10	**3,147,755**	*3,979,214*
		29,458,936	*30,141,363*
Current assets			
Debtors: amounts falling due within one year	11	**2,958,729**	*1,750,036*
Cash at bank and in hand		**7,469,828**	*7,111,533*
		10,428,557	*8,861,569*
Liabilities			
Creditors: amounts falling due within one year	12	**(5,606,466)**	*(4,792,077)*
Net current assets		**4,822,091**	*4,069,492*
Creditors: amounts falling due after one year	12	**–**	*(13,479)*
Total net assets		**34,281,027**	*34,197,376*
The funds of the group			
Restricted funds	14	**2,412,668**	*2,734,756*
Unrestricted funds	15	**31,868,359**	*31,462,620*
Total group funds		**34,281,027**	*34,197,376*

The charity net income in the year was £105,550 *(2021: £1,958,162)* before group consolidation.

These Financial statements were approved and authorised for issue by the Board of Trustees on 9 February 2023 and signed on its behalf by:

Paul K Styles
Director

The notes on pages 41 to 58 form part of these Financial statements.

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National Star Foundation
Charity balance sheet

As at 31 August 2022

Company Number: 00522846

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	9b	26,617,198	26,446,267
Investments	10	3,147,856	3,979,315
		29,765,054	30,425,582
Current assets			
Debtors: amounts falling due within one year	11	2,901,697	1,840,070
Cash at bank and in hand		7,348,559	6,961,949
		10,250,256	8,802,019
Liabilities			
Creditors: amounts falling due within one year	12	(5,428,266)	(4,732,628)
Net current assets		4,821,990	4,069,391
Creditors: amounts falling due after one year	12	–	(13,479)
Total net assets		34,587,044	34,481,494
The funds of the charity			
Restricted funds	14	2,412,668	2,734,756
Unrestricted funds	15	32,174,376	31,746,738
Total charity funds		34,587,044	34,481,494

These Financial statements were approved and authorised for issue by the Board of Trustees on 9 February 2023 and signed on its behalf by:

Paul K Styles
Director

The notes on pages 41 to 58 form part of these Financial statements.

National Star Foundation
Consolidated statement of cash flows

For the year ended 31 August 2022

Reconciliation of net income to net cash inflow from operating activities	2022 £	*2021 £*
Net income for the reporting period	**83,651**	*1,949,188*
Adjustments for:		
Depreciation charges	**1,425,684**	*1,420,324*
Write off non-depreciating assets under construction	**–**	*51,342*
Interest from investments	**(25,861)**	*(17)*
Losses / (gains) on investments	**131,460**	*(780,709)*
(Profit) on sale of fixed assets	**(1,650)**	*(2,670)*
(Increase) in debtors	**(1,208,693)**	*(368,231)*
Increase in creditors	**854,630**	*151,340*
Net cash provided by operating activities	**1,259,221**	*2,420,567*
Cash flows from financing activities		
Repayment of borrowings	**(53,721)**	*(52,657)*
Net cash used in financing activities	**(53,721)**	*(52,657)*
Cash flows from investing activities		
Interest from investments	**25,861**	*17*
Proceeds from the sale of property, plant and equipment	**1,650**	*2,670*
Proceeds from sale of investments	**700,000**	*–*
Purchase of property plant and equipment	**(1,574,716)**	*(1,225,193)*
Net cash used in investing activities	**(847,205)**	*(1,222,506)*
Change in cash and cash equivalents in the reporting period	**358,295**	*1,145,404*
Cash and cash equivalents at the beginning of the reporting period	**7,111,533**	*5,966,129*
Cash and cash equivalents at the end of the reporting period	**7,469,828**	*7,111,533*
Analysis of cash and cash equivalents		
Cash in hand	**4,469,828**	*7,111,533*
Notice deposits (less than 3 months)	**3,000,000**	*–*
	7,469,828	*7,111,533*

The notes on pages 41 to 58 form part of these Financial statements.

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National Star Foundation
Notes to the Financial statements

For the year ended 31 August 2022

1. Accounting policies

a) Charity information

National Star Foundation is a registered charity (charity number: 220239) and was incorporated as a private company limited by guarantee in England and Wales (company number: 00522846) on 20 August 1953. The address of its registered office is Ullenwood Manor, Ullenwood, Cheltenham, Gloucestershire, GL53 9QU. This is also the registered address of NSF Trading Limited and NSF Design & Build Limited.

b) Accounting convention

The consolidated Financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments.

The consolidated Financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

National Star Foundation meets the definition of a public benefit entity under FRS 102.

c) Going concern

The group and charity has cash resources and has no requirement for external funding. At the time of approval of the annual report, the COVID–19 pandemic continues to evolve and the long–term impact on the charity, in common with other businesses, is unknown. The trustees have reviewed the position carefully with a view to ensuring the ongoing provision of care for the learners and residents as well as employment of staff. The charity currently holds significant cash balances supplemented, if needed, by an overdraft facility. Demand for places remains strong for the academic year 2022/23. Conservative cash flow modelling with sensitivity analysis indicates that the cash reserves of the charity are adequate to meet the charity's obligations as they fall due. Accordingly, the trustees believes that financial resources are sufficient to ensure the charity will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the Financial statements and have therefore prepared the Financial statements on a going concern basis.

d) Consolidated Financial statements

These Financial statements consolidate the charity and its subsidiary undertakings NSF Design & Build Limited and NSF Trading Limited to 31 August 2022, all inter group sales and profits have been eliminated on consolidation.

Net income of £105,550 *(2021: £1,958,162)* was attributable to the charity for the year. The charity has also taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Statement of Cash Flows and certain disclosures about the charity's financial instruments within the consolidated Financial statements.

No separate Statement of Financial Activities ("SOFA") has been prepared for the charity alone as permitted by Section 408 of the Companies Act 2006.

e) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the Financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aims of the restricted funds are set out in the notes to the Financial statements.

f) Income

All income is included in the SOFA when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

National Star Foundation
Notes to the Financial statements

For the year ended 31 August 2022

1. Accounting policies (continued)

Donations and gifts represent amounts receivable during the year, together with any associated tax refund and do not include the value of any pledges secured for future donations.

Fees are accounted for in the SOFA in the year in which the service is provided.

Grants (including government grants) are included in the Financial statements on an entitlement basis. The balance of income received for a specific purpose but not expended in the year is shown in the relevant funds on the Balance Sheet. Where entitlement occurs before income is received, the income is accrued.

Where income is received in advance of the charity having entitlement to the fund the income is deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

All capital grants received are recognised in the SOFA and credited to a separate restricted fund where there are restrictions on the future use of the fund. Any depreciation charged on that element of the cost of assets funded by grants is charged to restricted funds.

g) Expenditure

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Expenditure on raising funds include all fundraising, financing and trading costs of the subsidiaries.

All expenditure is accounted for on an accruals basis. Overheads and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year on a basis consistent with use of the resources. The irrecoverable element of VAT is included with the item of expense to which it relates.

Governance costs are included within support costs and include strategic planning costs for the charity's future development, external audit and all costs of complying with constitutional and statutory requirements, such as costs of board and committee meetings and for preparing statutory Financial statements and satisfying public accountability.

h) Pension costs

The charity contributes to the Teachers' Pension Scheme at the advised rates. As it is not possible to separately identify the assets and liabilities of the Teachers' Pension Scheme, it is accounted for as if it were a defined contribution scheme. The charity's contributions to the scheme are charged in the Financial statements as they accrue.

With regard to non–teaching employees, contributions are made to the charity's defined contribution pension scheme. All contributions are charged to the SOFA as they become payable in accordance with the rules of the schemes.

i) Tangible fixed assets

All expenditure above £500 for ICT and £1,000 for all other assets for the acquisition, enhancement, production and installation of fixed assets and all fixed assets received by way of donation are capitalised. Tangible fixed assets are stated in the Balance Sheet at cost less depreciation and impairment, or at estimated value at date of donation less depreciation in respect of donated assets.

Depreciation is calculated to write off the cost or valuation less estimated residual value of tangible assets over their estimated useful lives at the following rates:

Freehold Land	Not depreciated
Freehold Buildings	2% – 10%
Leasehold Property Improvements	20% (or over the lease term)
Fixtures and Equipment	10% – 20%
ICT	10% – 25%
Motor Vehicles	10% – 25%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

National Star Foundation
Notes to the Financial statements

For the year ended 31 August 2022

1. Accounting policies (continued)

j) Investments

Investments are stated at market value at the Balance Sheet date. All gains and losses relating to investments are accounted for in the SOFA. Investments in subsidiaries are held at cost.

k) Debtors

Short-term debtors are initially measured at the settlement price, less any impairment. Prepayments are valued at the amount prepaid net of any trade discounts.

l) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions with a short maturity of three months or less.

m) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Short-term creditors are initially measured at the settlement amount.

n) Financial instruments

National Star Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

o) Operating leases

Rentals payable under operating leases are charged to the SOFA on a straight line basis over the lease term.

p) Taxation

National Star Foundation is a registered charity, and as such is entitled to tax exemptions on all its income and gains, properly applied for its charitable purposes.

q) Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The items in the Financial statements where these estimates and judgements have been made include the following:

i) Useful economic lives of tangible assets

The annual depreciation charges for the tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the tangible assets and note 1i for the useful lives for each class of asset.

ii) Useful economic lives of intangible assets

Intangible assets are stated at their historical cost and amortised on a straight-line basis over their expected useful economic lives. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation associated with the specific asset. Intangible assets are derecognised on disposal or when no future economic benefits are expected from their use. Intangible assets include software purchased from third parties and related software implementation costs. See note 9 for the cost amount of intangible assets.

iii) Impairment of debtors

The Group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 11 for the net carrying amount of the debtors and associated impairment provision.

iv) Clawback provision

The charity has a provision for some elements of income in relation to learners and service users who left through the year or were absent for part of the year. When assessing the level of provision required, the charity has considered levels of fee income, services provided, availability of placement and pattern of attendance, as well as relevant funding guidance.

National Star Foundation
Notes to the Financial statements

For the year ended 31 August 2022

2. Results of subsidiaries

a) NSF Trading Limited

The charity owns 100% of NSF Trading Limited (company registration number: 01168043), which predominantly lets out the National Star Foundation facilities and undertakes the charity's trading activities. It has a signed ordinary resolution to Gift Aid its taxable profits to the charity. Its trading results, extracted from its audited Financial statements, were:

	2022 £	*2021 £*
Turnover	**150,729**	*74,614*
Cost of sales	**(53,169)**	*(37,806)*
Gross profit	**97,560**	*36,808*
Other income	**–**	*5,642*
Administrative expenses	**(17,486)**	*(11,186)*
Operating profit	**80,074**	*31,264*
Taxation	**–**	*–*
Profit after taxation	**80,074**	*31,264*
Retained earnings at start of period	**–**	*–*
Gift Aid donation to National Star Foundation	**(80,074)**	*(31,264)*
Retained earnings at end of period	**–**	*–*
Reserves		
Profit and loss reserves	**–**	*–*
Share capital	**100**	*100*
Shareholder's funds	**100**	*100*

The trading company made a Gift Aid donation of £80,074 *(2021: £31,264)* to the charity within nine months of the year end, with the result that it has a £nil annual corporation tax liability.

b) NSF Design & Build Limited

The charity owns 100% of NSF Design & Build Limited (company registration number: 08628807), which was set up to manage capital projects on behalf of National Star Foundation. It has a signed ordinary resolution to gift aid its taxable profits to the charity. Its trading results, extracted from its audited Financial statements, were:

	2022 £	*2021 £*
Turnover	**751,852**	296,357
Cost of sales	**(729,954)**	(287,725)
Gross profit	**21,898**	8,632
Administrative expenses	**(3,797)**	(2,777)
Operating profit	**18,101**	5,855
Taxation	**–**	–
Profit after taxation	**18,101**	5,855
Retained earnings at start of period	**–**	–
Gift Aid donation to National Star Foundation	**(18,101)**	(5,855)
Retained earnings at end of period	**–**	–
Reserves		
Profit and loss reserves	**–**	–
Share capital	**1**	1
Shareholder's Funds	**1**	1

The trading company made a Gift Aid donation of £18,101 *(2021: £5,855)* to the charity within nine months of the year end, with the result that it has a £nil annual corporation tax liability.

3. Other charitable activities

Other Charitable Activities income of £8,271,064 *(2021: £7,135,450)* arises from a range of activities undertaken during the year including:

	2022 £	*2021 £*
Foundation House	**1,431,028**	*1,373,884*
Eveson Centre, Hereford	**1,335,548**	*846,742*
Hereford long-term residence	**941,115**	*891,053*
LiftTraining	**339,476**	*258,593*
Respite Provision	**1,114,613**	*905,567*
StarBistro	**80,373**	*57,048*
Steps into Work	**194,299**	*358,643*
Bradbury Gardens long-term residence	**947,691**	*937,725*
Mamhilad (Wales)	**753,552**	*626,849*
Matrixcare (Malvern)	**412,479**	*275,473*
Teacher Education	**222,428**	*96,451*
Re-education / Therapy Services	**176,419**	*90,485*

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4. Donations and legacies

	Unrestricted funds £	Restricted funds £	2022 Total funds £	*2021 Total funds £*
Donations	194,074	818,844	1,012,918	*612,380*
Legacies	1,379,477	–	1,379,477	*268,125*
Other voluntary income	15,538	–	15,538	*20,797*
	1,589,089	**818,844**	**2,407,933**	*901,302*

In addition, the charity received a government ESFA Building Conditions Grant of £137,902 *(2021: £72,132)*, a Teachers' Pension Grant of £128,277 *(£2021: £123,253)*, an Adult Social Care Infection Control Grant of £127,293 *(2021: £381,539)*, and a Workforce Recruitment and Retention Grant of £414,066 *(2021: £nil)*. There were no unfulfilled conditions or other contingencies attached to these grants.

£446,626 of income from donations in the prior year related to restricted funds. All other income from donations and legacies in the prior year related to unrestricted funds.

5. Other income

	Unrestricted funds £	Restricted funds £	2022 Total funds £	*2021 Total funds £*
StarShop and Student shops	12,169	–	12,169	*5,448*
Transport	442	–	442	*141*
Profit on sale of fixed assets	1,650	–	1,650	*2,670*
Coronavirus Job Retention Scheme Grant	–	–	–	*101,982*
Charity retail	265,289	–	265,289	*90,767*
Other income	5,866	–	5,866	*5,252*
	285,416	**–**	**285,416**	*206,260*

All other income in the prior year related to unrestricted funds.

6. Analysis of expenditure

	Staff costs £	Other costs £	Depreciation £	Total 2022 £	*Total 2021 £*
Charitable activities					
Teaching and welfare	24,695,640	1,017,887	1,067,179	26,780,706	*22,639,654*
Premises	947,373	2,021,532	123,217	3,092,122	*3,019,007*
Support costs	3,726,673	1,972,032	235,288	5,933,993	*5,032,426*
	29,369,686	**5,011,451**	**1,425,684**	**35,806,821**	*30,691,087*
Raising funds					
Other	109,680	211,968	–	321,648	*384,147*
Trading costs	21,523	40,436	–	61,959	*44,875*
	29,500,889	**5,263,855**	**1,425,684**	**36,190,428**	*31,120,109*

Included within support costs are the following governance costs:

	2022 £	*2021 £*
Auditor's remuneration (gross)		
– Audit	28,010	*26,676*
– Non audit	11,076	*5,220*
Trustees' / directors' meeting costs	584	*43*
Other	–	*99*
	39,670	*32,038*

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7. Net income

	2022 £	2021 £
Net income is stated after charging / (crediting) the following:		
Depreciation	**1,425,684**	*1,420,324*
Auditor's remuneration (net) – audit	**23,342**	*22,230*
– non audit	**9,230**	*4,350*
Profit on sale of fixed assets	**(1,650)**	*(2,670)*
Bank loan interest	**25,861**	*17*
Operating lease payments – land and buildings	**154,955**	*127,492*
– other	**50,506**	*52,258*

8. Staff costs and key management personnel remuneration

	2022 £	2021 £
Wages and salaries	**26,606,551**	*22,551,028*
Social security costs	**1,926,880**	*1,559,986*
Other pension costs	**967,458**	*834,504*
	29,500,889	*24,945,518*

Included in the above are agency and subcontractor costs of £2,030,411 *(2021: £1,893,285)* in relation to National Star Foundation and NSF Trading Limited.

During the year, the trustees received £nil *(2021: £nil)* remuneration and no retirement benefits were accruing. No trustees received reimbursed expenses during the year *(2021: £nil)*.

The average headcount of employees was:

	2022 No.	2021 No.
Charitable activities	**1,169**	*1,106*
Cost of generating funds – fundraising office	**4**	*3*
	1,173	*1,109*

After taking account of part-time employees the annual full-time equivalent number was 880 *(2021: 847)*.

During the year, the charity made redundancy/ termination payments of £1,688 *(2021: £11,781)*.

The number of employees who received annual equivalent emoluments (including benefits in kind of between £84 and £670 per person) in excess of £60,000 during the period were in the following bands:

	2022 No.	2021 No.
£60,000 – £69,999	**5**	3
£70,000 – £79,999	**1**	–
£90,000 – £99,999	**2**	2
£100,000 – £109,999	**–**	1
£110,000 – £119,999	**1**	–

Three of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2022 employer contributions for these staff members amounted to £45,768 *(2021: £29,847)*. The other six employees participated in the defined contribution pension scheme – total employer contributions for these staff members amounted to £45,099 *(2021: £34,509)*.

The remuneration of key management personnel for the Group was:

	2022 £	2021 £
Total key management personnel remuneration	**474,931**	*451,956*

Key management personnel are defined as the Chief Executive, Deputy Chief Executive, Chief Operations Officer and Principal. The remuneration figure includes gross salary, employer's National Insurance, employer's pension and benefits in kind.

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9a. Tangible fixed assets – group

	Freehold land and buildings £	Assets under construction £	Leasehold property improvements £	Motor vehicles £	Fixtures and equipment £	Total £
Cost						
At 1 September 2021	*36,567,305*	*153,827*	*216,552*	*1,028,882*	*3,556,315*	*41,522,881*
Additions	**225,011**	**799,235**	**44,163**	**111,429**	**394,878**	**1,574,716**
Disposals	**(275,909)**	**–**	**(17,191)**	**(14,500)**	**(382,023)**	**(689,623)**
At 31 August 2022	**36,516,407**	**953,062**	**243,524**	**1,125,811**	**3,569,170**	**42,407,974**
Depreciation						
At 1 September 2021	*11,915,779*	*–*	*187,753*	*688,033*	*2,569,167*	*15,360,732*
Disposals	**(275,909)**	**–**	**(17,191)**	**(14,500)**	**(382,023)**	**(689,623)**
Charge for the period	**984,151**	**–**	**12,145**	**69,964**	**359,424**	**1,425,684**
At 31 August 2022	**12,624,021**	**–**	**182,707**	**743,497**	**2,546,568**	**16,096,793**
Net Book Value						
At 31 August 2022	**23,892,386**	**953,062**	**60,817**	**382,314**	**1,022,602**	**26,311,181**
At 31 August 2021	*24,651,526*	*153,827*	*28,799*	*340,849*	*987,148*	*26,162,149*

Included in the above within Fixtures and equipment at cost is £160,416 *(2021: £158,096)* of Intangible software assets with depreciation charged on these assets during the year of £18,186 *(2021: £17,392)*.

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9b. Tangible fixed assets – charity

	Freehold land and buildings £	Assets under construction £	Leasehold property improvements £	Motor vehicles £	Fixtures and equipment £	Total £
Cost						
At 1 September 2021	*36,851,423*	*153,827*	*216,552*	*1,028,882*	*3,556,315*	*41,806,999*
Additions	**246,910**	**799,235**	**44,163**	**111,429**	**394,878**	**1,596,615**
Disposals	**(275,909)**	**–**	**(17,191)**	**(14,500)**	**(382,023)**	**(689,623)**
At 31 August 2022	**36,822,424**	**953,062**	**243,524**	**1,125,811**	**3,569,170**	**42,713,991**
Depreciation						
At 1 September 2021	*11,915,779*	*–*	*187,753*	*688,033*	*2,569,167*	*15,360,732*
Disposals	**(275,909)**	**–**	**(17,191)**	**(14,500)**	**(382,023)**	**(689,623)**
Charge for the period	**984,151**	**–**	**12,145**	**69,964**	**359,424**	**1,425,684**
At 31 August 2022	**12,624,021**	**–**	**182,707**	**743,497**	**2,546,568**	**16,096,793**
Net Book Value						
At 31 August 2022	**24,198,403**	**953,062**	**60,817**	**382,314**	**1,022,602**	**26,617,198**
At 31 August 2021	*24,935,644*	*153,827*	*28,799*	*340,849*	*987,148*	*26,446,267*

Included in the above within Fixtures and Equipment at cost is £160,416 *(2021: £158,096)* of Intangible software assets with depreciation charged on these assets during the year of £18,186 *(2021: £17,392)*.

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10. Investments – group and charity

Cost or valuation	Charity listed investments £	Charity investment in subsidiary £	Charity total £
At 1 September 2021	*3,979,214*	*101*	*3,979,315*
Additions	–	–	–
Disposals	**(700,000)**	–	**(700,000)**
Gains on investments	**(131,459)**	–	**(131,459)**
Net Book Value			
At 31 August 2022	**3,147,755**	**101**	**3,147,856**

The historical cost of listed investments at 31 August 2022 was £1,817,250 *(2021: £2,104,826)*.

At 31 August 2022 the investments comprise accumulation units in CCLA COIF Charities Investment Fund of £1,060,780 *(2021: £1,495,018)*, Schroder Charity Equity Value Fund of £1,045,689 *(2021: £1,260,592)*, and St. James's Place Wealth Management split into three separate investment funds; Diversified Bond £387,245 *(2021: £468,649)*, Global Equity £235,433 *(2021: £278,225)* and Strategic Income £418,608 *(2021: £476,730)*.

Such investments are primarily held to provide a return where monies are not required immediately for the charity's activities and form part of the charity's reserves policy.

Shares in Subsidiary

The charity holds 101 ordinary shares of £1 each representing 100% of the allocated share capital of NSF Trading Limited (100 shares) and NSF Design & Build Limited (1 share), both entities are incorporated in England and Wales. The value of the investments is the cost of £101.

11. Debtors – amounts falling due within one year

	Group		Charity	
	2022 £	*2021 £*	**2022 £**	*2021 £*
Trade debtors	**1,170,608**	*1,027,815*	**1,108,133**	*1,020,425*
VAT	**116,977**	*9,773*	**3,395**	*1,796*
Amount owed by subsidiary undertaking	–	–	**119,968**	*106,324*
Prepayments and accrued income	**1,636,745**	*698,656*	**1,635,802**	*697,733*
Other debtors	**34,399**	*13,792*	**34,399**	*13,792*
	2,958,729	*1,750,036*	**2,901,697**	*1,840,070*

Trade debtors are stated after impairment provision totalling £60,803 *(2021: £49,517)*.

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12. Creditors – Amounts falling due within one year

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade creditors	1,579,296	1,298,493	1,267,176	1,283,493
Taxes and social security costs	526,936	392,330	526,936	392,330
Amount owed to subsidiary undertaking	–	–	174,579	–
Accruals	1,208,042	519,664	1,177,580	483,919
Deferred income	1,344,368	1,476,957	1,334,788	1,468,665
Pension	157,393	130,431	157,393	130,431
Other creditors	776,802	920,331	776,185	919,919
Bank loan	13,629	53,871	13,629	53,871
	5,606,466	4,792,077	5,428,266	4,732,628

Deferred income	2022 £
Deferred income at 1 September 2021	1,476,957
Resources deferred in the year	1,344,368
Amounts released from previous years	(1,476,957)
Deferred income at 31 August 2022	1,344,368

The value of deferred income relates to income that has been received during the year that relates to future periods, such as ESFA element 1 and 2 funding, respite funding and LIFT income.

Creditors – amounts falling due after one year

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Bank loan	–	13,479	–	13,479
	–	13,479	–	13,479

Creditors – bank loan – group and charity

In November 2016 a loan of £300,000 was drawn from HSBC Bank plc. The loan is for a six-year term and is repayable by monthly instalments, with the final payment being in 2022.The loan is secured by way of a legal charge over the freehold property known as 2 Manor Barn, Ullenwood, Cheltenham. Interest is charged at a rate of 2.5% above the Bank of England Base Rate.

Included within the above are amounts falling due as follows:

	2022 £	2021 £
Within one year	13,629	53,871
Within one and two years	–	13,479
	13,629	67,350

As part of the organisation's response to its risk management processes in light of the coronavirus pandemic, the organisation continues to hold an overdraft facility with HSBC to support any cash flow pressures that may result from a disruption to services and to mitigate risk. The facility of £2.5m is secured against the organisation's assets by way of a Debenture and was not used in the reporting period. After the year end a Capital Development funding facility for £2.5m was also put into place with HSBC.

13. Share capital

The charity does not have a share capital as it is limited by guarantee. Each of the members is a guarantor to the extent of £1 in the event of the charity being wound up whilst they are members, or within one year of them ceasing to be members in respect of debts and liabilities contracted before they ceased to be a member.

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14. Restricted funds

2022	*Balance at 1 September 2021 £*	Income £	Expenditure £	Transfers £	Balance at 31 August 2022 £
Therapies Centre Star Appeal Development (Schroder Foundation – £50,000 September 2009)	*37,917*	–	(1,000)	–	36,917
Star Appeal / Development (The Henry Smith Charity – £125,000 May 2008/ £125,000 May 2011)	*192,083*	–	(5,000)	–	187,083
Elizabeth House Residential Accommodation Project (Big Lottery Fund – £300,000 January 2000)	*170,500*	–	(6,000)	–	164,500
Cleeve Bungalow Residential Accommodation Project (Big Lottery Fund – £250,000 July 2006)	*169,583*	–	(5,000)	–	164,583
Education and Skills Funding Agency – Building Improvement Fund Capital Grant – Pittville Project (£2,209,746 2014–2015). The restriction ends in 2025.	*1,775,776*	–	(57,847)	–	1,717,929
Committed Funds – various restricted gifts	*67,620*	150,377	(117,106)	(37,878)	63,013
Smart House Project – MW and AB Ingram's Charitable Trust	*183,997*	–	–	(183,997)	–
Ledbury Road Hereford – various other restricted gifts	*6,780*	7,000	(780)	(8,000)	5,000
Development Fund	*130,500*	661,467	–	(718,324)	73,643
	2,734,756	818,844	(192,733)	(948,199)	2,412,668

A number of the restricted funds detailed above relate to fundraised capital projects where the specified funder has required that the fund is separately noted and recorded. Where a donation has been given and the asset is required to be held for a number of years, the fund has remained restricted and the appropriate depreciation has been charged against it. The nature of the funding is identified in the schedule details above.

Where the funder's restrictions have been fulfilled and no further restrictions apply, the funds have been transferred to unrestricted funds as shown in the note.

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14. Restricted funds (continued)

Comparative disclosure for year ended 31 August 2021	*Balance at 1 September 2020 £*	Income £	Expenditure £	Transfers £	Balance at 31 August 2021 £
Therapies Centre Star Appeal Development (Schroder Foundation – £50,000 September 2009)	*38,917*	–	**(1,000)**	–	**37,917**
Star Appeal / Development (The Henry Smith Charity – £125,000 May 2008 / £125,000 May 2011)	*197,083*	–	**(5,000)**	–	**192,083**
Elizabeth House Residential Accommodation Project (Big Lottery Fund – £300,000 January 2000)	*176,500*	–	**(6,000)**	–	**170,500**
Cleeve Bungalow Residential Accommodation Project (Big Lottery Fund – £250,000 July 2006)	*174,583*	–	**(5,000)**	–	**169,583**
Education and Skills Funding Agency – Building Improvement Fund Capital Grant – Pittville Project (£2,209,746 2014–2015). The restriction ends in 2025.	*1,835,175*	–	**(59,399)**	–	**1,775,776**
Committed Funds – various restricted gifts	*77,982*	**246,806**	**(178,159)**	**(79,009)**	**67,620**
COVID–19 PPE – various restricted gifts	*50,417*	–	**(50,417)**	–	–
Smart House Project – MW and AB Ingram's Charitable Trust	*183,997*	–	–	–	**183,997**
Sunken Trampoline and Swing – Greaves and Withey Foundation	–	**16,650**	–	**(16,650)**	–
Outdoor Gym Equipment – Severn Trent Community Fund	–	**10,001**	–	**(10,001)**	–
Outdoor Gym Equipment – various other restricted gifts	–	**34,489**	–	**(34,489)**	–
Ledbury Road Hereford – The Eveson Charitable Trust (part of a £200,000 pledge)	–	**100,000**	–	**(100,000)**	–
Ledbury Road Hereford – various other restricted gifts	–	**38,680**	–	**(31,900)**	**6,780**
Development Fund	*133,500*	–	–	**(3,000)**	**130,500**
	2,868,154	**446,626**	**(304,975)**	**(275,049)**	**2,734,756**

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15. Unrestricted funds

2022	*Balance at 1 September 2021 £*	Income £	Expenditure £	Transfers and investment gains £	Balance at 31 August 2022 £
General unrestricted funds	*28,923,929*	**35,435,965**	**(35,935,736)**	**(1,178,980)**	**27,245,178**
Designated Funds – future development	*1,778,125*	–	–	**3,151,073**	**4,929,198**
Designated Funds – COVID–19 risk	*1,044,684*	–	–	**(1,044,684)**	–
Charity	*31,746,738*	**35,435,965**	**(35,935,736)**	**927,409**	**32,174,376**
Non–charitable trading funds	–	**150,729**	**(61,959)**	**(88,770)**	–
Consolidation adjustments	*(284,118)*	–	–	**(21,899)**	**(306,017)**
Group	*31,462,620*	**35,586,694**	**(35,997,695)**	**(816,740)**	**31,868,359**

Designated funds

At the year end the trustees have designated funds of £4,929,198 *(2021: £1,778,125)* for the future development of the Ullenwood site, and designated funds of £nil *(2021: £1,044,684)* for COVID–19 risk.

Comparative disclosure for year ended 31 August 2021	*Balance at 1 September 2020 £*	*Income 2021 £*	*Expenditure 2021 £*	*Transfers and investment gains 2021 £*	*Balance at 31 August 2021 £*
General unrestricted funds	*27,100,494*	**31,767,348**	**(30,770,258)**	**826,345**	**28,923,929**
Designated Funds – future development	*1,510,000*	–	–	**268,125**	**1,778,125**
Designated Funds – COVID–19 risk	*1,044,684*	–	–	–	**1,044,684**
Charity	*29,655,178*	**31,767,348**	**(30,770,258)**	**1,094,470**	**31,746,738**
Non–charitable trading funds	–	**74,614**	**(44,875)**	**(29,739)**	–
Consolidation adjustments	*(275,144)*	–	–	**(8,974)**	**(284,118)**
Group	*29,380,034*	**31,841,962**	**(30,815,133)**	**1,055,757**	**31,462,620**

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16. Analysis of net assets between funds of the group and charity

2022	Fixed Assets £	Investments £	Net Current Assets / Liabilities £	Long Term Liabilities £	Fund Balance £
Restricted funds	2,271,011	–	141,657	–	2,412,668
Designated funds	–	–	4,929,198	–	4,929,198
COVID–19 risk	–	–	–	–	–
Unrestricted funds	24,346,187	3,147,856	(248,865)	–	27,245,178
Charity	26,617,198	3,147,856	4,821,990	–	34,587,044
Subsidiary's Reserves – NSF Trading Limited	–	(100)	100	–	–
Subsidiary's Reserves – NSF Design & Build Limited	–	(1)	1	–	–
Consolidation	(306,017)	–	–	–	(306,017)
Group	26,311,181	3,147,755	4,822,091	–	34,281,027

Comparative disclosure for year ended 31 August 2021	*Fixed assets £*	*Investments £*	*Net current assets / liabilities £*	*Long term liabilities £*	*Fund balances £*
Restricted funds	*2,345,859*	–	*388,897*	–	*2,734,756*
Designated funds	–	–	*1,778,125*	–	*1,778,125*
COVID–19 risk	–	–	*1,044,684*	–	*1,044,684*
Unrestricted funds	*24,100,408*	*3,979,315*	*857,685*	*(13,479)*	*28,923,929*
Charity	*26,446,267*	*3,979,315*	*4,069,391*	*(13,479)*	*34,481,494*
Subsidiary's Reserves – NSF Trading Limited	–	*(100)*	*100*	–	–
Subsidiary's Reserves – NSF Design and Build Limited	–	*(1)*	*1*	–	–
Consolidation	*(284,118)*	–	–	–	*(284,118)*
Group	*26,162,149*	*3,979,214*	*4,069,492*	*(13,479)*	*34,197,376*

17. Other financial commitments

At 31 August 2022 the group had future minimum lease payments under non–cancellable operating leases as follows:

Commitment expiring:	Property £	Other £	2022 Total £	*2021 Total £*
Within one year	167,583	42,909	210,492	*96,845*
One to five years inclusive	229,652	5,850	235,502	*80,955*
	397,235	48,759	445,994	*177,800*

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18. Pension commitments

Defined contribution:

The charity operates defined contribution schemes for its non–teaching employees. The assets are held separately from those of the charity in independently administered funds, and the amount charged to the SOFA was £524,700 (*2021: £457,279*).

Defined benefit:

The charity participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £442,758 *(2021: £377,225)* and at the year–end £52,241 *(2021: £45,115)* was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi–employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

19. Capital commitments

At 31 August 2022 the group had capital commitments as follows:

	2022 £	*2021 £*
Land and buildings:		
Authorised and contracted for – Ullenwood development	**4,714,102**	–
Authorised not yet contracted for – Ullenwood development	**903,256**	–
Authorised and contracted for – Biomass boiler upgrade	**70,526**	–

National Star Foundation
Notes to the Financial statements

For the year ended 31 August 2022

20. Related party transactions

As stated in Note 1 to the Financial statements, the charity has two wholly owned subsidiary companies – NSF Trading Limited and NSF Design & Build Limited.

During the year a management charge was made by National Star Foundation to NSF Trading Limited of £12,494 *(2021: £6,895)*. At the end of the year gift aid of £80,074 *(2021: £31,264)* was payable by NSF Trading Limited to National Star Foundation. The total year–end balance owed to National Star Foundation was £119,968 *(2021: £46,747)*.

During the year income was received by NSF Design & Build Limited from National Star Foundation of £751,852 *(2021: £296,357)*, this related to recharged building costs plus fees. At the year–end Gift Aid of £18,101 *(2021: £5,855)* was payable by NSF Design & Build Limited to National Star Foundation. The total year–end balance owed by National Star Foundation was £174,579 *(2021: £59,577 owed to)*.

During the year 2021/2022, Lynette Barrett (Chief Operating Officer to 31/8/2022, Chief Executive from 01/09/2022) served on the Board of Natspec (the membership association for organisations which offers specialist further education and training for learners with learning difficulties and/or disabilities aged 16 to 25) as its Chair. Lynette Barrett also served on the Board of The Education & Training Foundation, in her capacity as Chair of Natspec. National Star is a member organisation of Natspec and also provides services on behalf of The Education & Training Foundation.

21. Agency arrangements

The charity acts as an agent in distributing 16–19 year olds bursary funds from the Education and Skills Funding Agency (ESFA). Payments received from the ESFA and subsequent disbursements are excluded from the SOFA as the charity does not have control over the charitable application of funds.

Summary of Bursary Account	**2022 £**	*2021 £*
At 1 September 2021	**24,256**	*16,616*
Income from ESFA	**27,205**	*26,323*
Bursary payments	**(17,972)**	*(18,683)*
At 31 August 2022	**33,489**	*24,256*

22. Financial instruments – group

	2022 £	*2021 £*
Financial assets		
Financial assets measured at fair value	**3,147,755**	*3,979,214*

Financial assets measured at fair value consist of investments.

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National Star Foundation
Notes to the Financial statements

For the year ended 31 August 2022

23. Analysis of changes in net debt

	At 1 September 2021 £	Cash–flows £	New finance leases £	Other non–cash changes £	At 31 August 2022 £
Cash	7,111,533	(2,641,705)	–	–	4,469,828
Cash equivalents	–	3,000,000	–	–	3,000,000
Overdrafts	–	–	–	–	–
	7,111,533	**358,295**	**–**	**–**	**7,469,828**
Loans falling due within one year	(53,871)	53,721	–	(13,479)	(13,629)
Loans falling due after more than one year	(13,479)	–	–	13,479	–
Finance lease obligations	(177,800)	87,791	(355,985)	–	(445,994)
Total	**6,866,383**	**499,807**	**(355,985)**	**–**	**(7,010,205)**

24. Post balance sheet events

Subsequent to the year ending 31 August 2022, the charity had no post balance sheet events.

National Star Foundation
Notes to the Financial statements

For the year ended 31 August 2022

25. Consolidated statement of financial activities for the year ended 31 August 2021

Income from:	Note	Unrestricted Funds £	Restricted funds £	Total Funds 2021 £	*Total Funds 2020 £*
Donations and legacies	4/14	454,676	446,626	901,302	*881,780*
Charitable activities					
Student fees		23,394,021	–	23,394,021	*22,039,891*
Other charitable activities	3	7,135,450	–	7,135,450	*6,409,985*
ESFA capital grants		72,132	–	72,132	*51,921*
Teachers Pension Grant		123,253	–	123,253	*126,105*
Adult Social Care Infection Control Grant		381,539	–	381,539	*117,113*
Other trading activities					
Trading turnover – NSF Trading Limited	2a	74,614	–	74,614	*132,411*
Investments		17	–	17	*7,437*
Other					
Other income	5	206,260	–	206,260	*187,550*
Total income		**31,841,962**	**446,626**	**32,288,588**	*29,954,193*
Expenditure on:					
Raising funds	6	384,147	–	384,147	*360,050*
Charitable activities	6/14	30,386,112	304,975	30,691,087	*28,419,030*
Other expenditure:					
NSF Trading Limited	2a	42,098	–	42,098	*131,810*
NSF Design & Build Limited	2b	2,777	–	2,777	*3,559*
Total expenditure		**30,815,134**	**304,975**	**31,120,109**	*28,914,449*
Net Income before loss on investments		1,026,828	141,651	1,168,479	*1,039,744*
Net gains / (losses) on investments	10	780,709	–	780,709	*(132,752)*
Net income		1,807,537	141,651	1,949,188	*906,992*
Transfer between funds	14/15	275,049	(275,049)	–	*–*
Net movement in funds		2,082,586	(133,398)	1,949,188	*906,992*
Reconciliation of funds:					
Total funds at 1 September 2020	14/15	29,380,034	2,868,154	32,248,188	*31,341,196*
Total funds at 31 August 2021	14/15	**31,462,620**	**2,734,756**	**34,197,376**	*32,248,188*

Administrative and legal details

National Star Foundation (formerly the National Star Centre for Disabled Youth) is a company ('the Company') limited by guarantee and a registered charity ('the Charity'). National Star Foundation is governed by its Memorandum and Articles of Association (as Incorporated 20 August 1953 and last amended 9 January 2012). It operates a wide range of activities and programmes in pursuance of its charitable purposes, the largest of which is the operation of National Star College ('the College'). It uses National Star as a working name and operates two subsidiary companies; NSF Trading Limited (company number 01168043) and NSF Design & Build Limited (company number 08628807), which form the group ('the Group').

Company number
00522846 in England and Wales

Charity number
220239

Registered office
Ullenwood Manor, Ullenwood, Cheltenham, GL53 9QU.

Auditors
Crowe U.K. LLP, 4th Floor, St James House, St James' Square, Cheltenham, GL50 3PR.

Bankers
HSBC Bank, 2 The Promenade, Cheltenham, GL50 1LR.

Solicitors
Veale Wasbrough Vizards, Narrow Quay House, Narrow Quay, Bristol.

Investment managers
CCLA Investment Management Ltd, Cazenove Capital and St. James's Place Wealth Management.

Josh, age 30

Without National Star...

> "I would never have got my dream job."
>
> **Former student Josh**

Former student Josh landed his dream job as a prep chef at The Ivy Montpellier Brasserie in Cheltenham, thanks to the support he received from National Star.

Josh, who has autism and mental health challenges, had struggled to find work. He wanted to get into the hospitality trade but needed support.

He signed up to one of National Star's work programmes. He was assigned his personal job coach who worked with him to develop his interview techniques and boosted his CV with extensive work experience placements in the catering sector, helping him to gain relevant qualifications.

'Having a job coach made me feel much more reassured and he has helped me in lots of ways, from going to interviews with me to taking me to my first shift at The Ivy at 7am,' says Josh. 'He has even helped me learn to budget so that I have money to pay my bills.'

To enable Josh to manage in the busy kitchen environment, his job coach helped him break down work into specific tasks and created lists. 'I don't think I would have been able to handle the pressure without the support of my job coach. I love this job and don't want to mess it up,' says Josh.

Matthew Aldred, Head Chef at The Ivy Montpellier Brasserie, commented: 'Josh is an integral part of our team and kitchen brigade, and I am excited to see him continue to grow and develop in his role.'

Building a brighter future

National Star is so committed to supporting young people with complex disabilities and learning difficulties that it took the ambitious step to launch a major capital appeal as the pandemic was retreating.

It had no time to lose. One of its older student residences is no longer appropriate for young people with complex disabilities who attend National Star. A new facility was urgently needed, so National Star is building a new £6.2 million specialist residence on its campus at Ullenwood.

The experience of living at college will help young people with severe and complex disabilities learn to live more independently, develop stronger life skills, build self-confidence and better support their learning and development.

Students will move into the new residence in September 2023.

Ullenwood, Cheltenham, Gloucestershire, GL53 9QU
Email enquiries@nationalstar.org
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National Star
Realising the aspirations of people with disabilities

www.nationalstar.org

National Star is a working name of National Star Foundation which is registered in England and Wales, company number 00522846, charity number 220239. Registered office Ullenwood Manor, Ullenwood, Cheltenham, Gloucestershire, GL53 9QU