

# emh Care and Support Limited

## REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2024



**EMH CARE AND SUPPORT LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

<b>Contents</b>	<b>Page</b>
<b>Legal and Administrative Information</b>	<b>2</b>
<b>Trustees' Annual Report</b>	<b>3 – 12</b>
<b>Statement of Trustee's Responsibilities in respect of the Trustee's Report and the Financial Statements</b>	<b>13</b>
<b>Independent Auditor's Report to the Trustees of EMH Care and Support Limited</b>	<b>14 – 17</b>
<b>Statement of Financial Activities</b>	<b>18</b>
<b>Balance Sheet</b>	<b>19</b>
<b>Cash Flow Statement</b>	<b>20</b>
<b>Notes to the Financial Statements</b>	<b>21 – 43</b>

**EMH CARE AND SUPPORT LIMITED**  
**LEGAL AND ADMINISTRATIVE INFORMATION**

FOR THE YEAR ENDED 31 MARCH 2024

TRUSTEES

**Margaret Coward – Chair (appointed Chair June 24)**

Prof Amanda Ashton – Chair (resigned June 24)

Patricia McCabe

Roger Merchant

Simon Ketteridge

Sarah Woolley (appointed September 23)

Mike Lawton (appointed February 24)

Tim Bishop (appointed February 24)

PRINCIPAL BANKER

**National Westminster Bank Plc**

5 Market Place

Chesterfield

S40 1TJ

AUDITOR

**KPMG LLP**

One Snow Hill

Snowhill Queensway

Birmingham

B4 6GH

SECRETARY AND REGISTERED HEAD OFFICE

**Joanne Tilley**

Memorial House

Whitwick Business Park

Stenson Road

Coalville

Leicestershire

LE67 4JP

*emh Care and Support Limited is a company limited by guarantee (Registered Number 2488821) and also a registered charity (Registered Number 1001704). It is registered in England & Wales.*

# EMH CARE AND SUPPORT LIMITED TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The Trustees, who were also the directors, submit their annual report and audited financial statements for the year ended 31 March 2024.

## Structure, Governance & Management

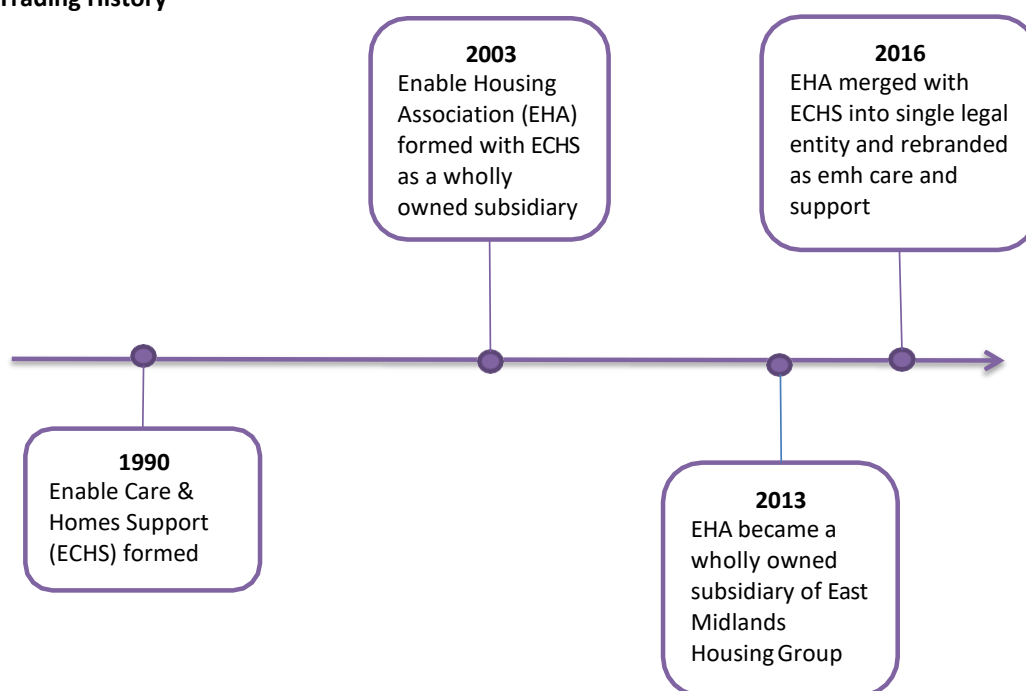
### Background

emh Care and Support is a company limited by guarantee, a registered charity and a public benefit entity. The Trustees have paid due regard to the Charity Commission guidance on public benefit and in reviewing our aims and objectives and planning future activities. The Trustees ensure that the activities undertaken are in line with our core purposes, stated below, and as demonstrated in this report.

The charity was incorporated on 4th April 1990. Its core activities, aims and objectives as stated in the memorandum and articles of association are: -

- ✓ the relief of persons with learning difficulties, or sensory or other disabilities (including but not limited to persons who are physically, mentally or learning disabled or mentally ill or chronically sick or vulnerable or in necessitous circumstances for some other reason) by the provision of accommodation, and other amenities, facilities and services (including but not limited to the provision of care, welfare and nursing services) calculated to alleviate the disabilities and suffering of such persons;
- ✓ to educate the public concerning the provision of housing and care facilities for the benefit of persons suffering from learning difficulties, mobility problems or other disabilities (including but not limited to persons who are physically, mentally or learning disabled or mentally ill or chronically sick or vulnerable or in necessitous circumstances for some other reason) or who are otherwise experiencing poor housing conditions;
- ✓ to undertake or facilitate research in connection with the preceding objects upon terms that such research shall be published.

### Trading History



## EMH CARE AND SUPPORT LIMITED TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2024

### Structure, Governance & Management (continued)

The consolidated accounts for emh group are available on its website [www.emhgroup.org.uk](http://www.emhgroup.org.uk).

#### Committees, Control and Decision Making

The Group Board's role is to set the strategic direction, uphold the values and provide the framework for decision making, performance improvement and standards of customer services. They are our highest decision-making body. Delivery of the Business Plan is delegated to the Trustees and day-to-day leadership is delegated to the Chief Executive and the Executive Management Team. The following people served as trustees on our Board during the year: -

Trustee	Board Meeting Attendance
Amanda Ashton	
Chair	5/6
Tim Bishop*	1/1
Margaret Coward	6/6
Mike Lawton*	1/1
Simon Ketteridge	6/6
Patricia McCabe	6/6
Roger Merchant	3/6
Sarah Woolley**	3/3

\* Appointed February 24

\*\* Appointed September 23

#### Appointment and Training of Trustees

Strong leadership is pivotal to delivering high quality services. Our trustees are carefully selected to bring a diverse range of skills and expertise in the areas that the organisation operates including the broad range of services that we deliver and the people and communities that we serve. Our trustees are subject to an individual annual appraisal. Trustees meet at least four times a year and are committed to continued development. On an annual basis we carry out a review of the effectiveness of our Board and this is independently reviewed every three years.

We have a robust recruitment and induction process for new trustees including spending time with our staff, at our schemes and with our customers in order to gain a full and complete view of the organisations culture, activities and challenges. Trustees are also encouraged to attend external training events to facilitate the undertaking of their role.

The trustees of the charity at the year-end are detailed on page 2 of these financial statements. The trustees are also the directors of the charity for the purposes of company law. In accordance with the Charities SORP & FRS 102 we disclose all payments made to trustees (no trustees are paid) and expenses reimbursed (no expenses were paid).

# EMH CARE AND SUPPORT LIMITED TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2024

## Structure, Governance & Management (continued)

### Stakeholder Engagement, Inclusion and Co-production

Co-production describes ways of involving people as equal partners, in the planning and design of their care and support. A Co-production plan for 2023 was submitted to the Board that includes various activities and projects that engages people using our services as partners in developing positive changes in services, and the ways people are supported to live their lives. In January 2024 a co-production working group was established and from that, a strategy for implementation was designed. This also included the design and development of a phased 4-year project plan for implementation across all care and support services. Phase 1 commenced in April 2024 and will focus on education & training around co-production for staff and service users. Work during this phase will seek to gather feedback from the people who use our services so that improvement plans can be developed. The feedback gained, will also support managers to formulate responses to the new CQC framework, especially around the Quality Statements.

### Volunteers

Our day services continue to provide a great offer of activities our centres and out and about in the community, working with a range of activity providers including, Matlock Farm Park, Derbyshire Dales District Council, Adult Education Services and the Eco Centre, as well as Arc Leisure Centre, Peak Rail, Dukes Barn, Friends of Hurst Farm, the National Trust at Hardwick Hall, Kirby Leisure Centre, West Nottinghamshire College, Chesterfield Tennis Club, Level Centre, Inclusive Pedals and Alfreton Ace. Fundraising activities have been limited to in house activities this year, coffee mornings, seasonal fairs etc but these have raised hundreds of pounds for our services. Our tradition of hosting annual activity days in Matlock and Chesterfield continues with over 150 disabled people attending the events last summer.

### Related Parties

Any connection between a trustee or senior manager with a customer or a customer's representative must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. There were no such relationships at the year-end (2023: none).

### Corporate Mission and Aims

The organisation strives to provide homes and care to improve opportunities for people. This is underpinned by our strong corporate values: -

<b>Integrity</b>	We work to the highest ethical standards
<b>Diversity</b>	We respect others for who they are
<b>Openness</b>	We are honest and straightforward
<b>Accountability</b>	We are accountable to and influenced by our customers
<b>Clarity</b>	We are clear about what we are here to do and why
<b>Excellence</b>	We strive to be the best in everything we do

## **EMH CARE AND SUPPORT LIMITED TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 MARCH 2024

### **Charitable Activities**

Our work predominantly centres on the provision of accommodation, care, support and activities for adults due to illness, disability or old age. We do this in a number of ways: -

#### **Supported Housing**

We manage circa 230 lettable rooms across 60 homes, either owned or managed, specifically for adults with learning and/or physical disabilities or mental health issues who require support to live independently. We offer a range of accommodation to suit the diverse needs of our customers that can be anything from single occupancy dwellings to 3 or 4 people co-habiting.

We provide support to our customers to maintain their tenancy over and above the basic landlord service. This can include helping customers to pay their rent and other household bills, helping them to manage their finances including access to welfare benefits and helping them to look after their home and request repairs to the property or equipment from their landlord.

We have undertaken a strategic review of our properties, carrying out a stock condition assessment of each one in order to build a more accurate capital investment plan and initiate an active asset disposal strategy.

#### **Supported Living**

We provide care and support to adults with learning and/or physical disabilities or mental health issues to live a happy and fulfilled life. Each person has an individual, tailored package of care and can be anything from a few hours each week to 24-hour care 7 days a week. We currently support over 125 service users, providing around 11,000 hours of care every week.

The care and support we provide is varied and can include help with personal care, domestic tasks, taking part in hobbies and other social activities, meeting friends and family and going out into the community. Our services are regulated by the Care Quality Commission who ensures that we deliver a high quality, safe and compliant service to all of our customers.

#### **Nursing and Care Homes**

We own and manage 3 nursing homes providing residential accommodation and 24/7 care to our customers. Care is provided by qualified and skilled nursing and care staff who help our residents with their personal care, nursing and medical needs, social activities both within the home and out in the community. Each home is registered and regulated by the Care Quality Commission and currently has a 'good' rating.

## EMH CARE AND SUPPORT LIMITED TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2024

### Charitable Activities (continued)

#### Day Services and Social Enterprise



We manage 4 day centres supporting around 77 customers each week including our own residents and private customers. Over 230 support sessions are run every week providing valuable support to all our customers. We support a diverse range of people with a variety of impairments that include people with profound and multiple learning disabilities, communication difficulties and challenging reputations. Working with partners including Adult Care, Adult community Education, Local Authorities and Employment services we provide a range of support and opportunities including, one to one support, support to get out and

about in the community, access to learning and education and supported volunteering. We aim to improve life skills, knowledge, social interaction, independence and fulfilment. In January 2024 we took the decision to close the service we provided from All Saints in Huthwaite. The JT project had seen a steady reduction in attendees over the years with very few new referrals while 5 Senses, just a few miles away had seen steady growth. We consulted with attendees and their family carers about closing the service and offered everyone the opportunity to move their activities and support to 5 Senses. All bar one person transferred to 5 Senses and the transition went smoothly and people are very positive about the change. We secured a new home for our Peak Rail volunteers at Rowsley Station, assisted by Travis Perkins and their community fund we moved an accessible cabin from the Mastin Moor site to its new home at the railway. The cabin includes a disabled toilet and kitchen and replaced our old hut that was no longer fit for purpose.

#### Extra Care

Our extra care schemes provide residential accommodation and support to people aged 55 year and over. Residents live independently in self-contained apartments or bungalows with domestic support, help with personal care and access to communal facilities such as a dining room and activity rooms. We currently provide a combination of Housing and Care support to over 300 units, delivering circa 670 hours of care a week. Some homes are owned within the Group and some won on a tender basis.

emh are committed to continuing to expand our extra care offer with a further 2 schemes in the pipeline. At 75 and 120 units, the schemes are in the early stages and are expected to complete in 2027/28.

#### Future Plans

The Group's latest Strategy and Business Plan has been reviewed and updated to cover 2023-2026. To have greater certainty and control over our business, we've switched to having a three-year plan, rather than five years. The Board, in conjunction with our key stakeholders including our customers and staff have identified and updated 5 key themes which are the golden thread that run through all our objectives and projects and link back to our corporate mission and vision. We will focus on doing the basics brilliantly, focusing on the things our customers need and value the most.

The long-term funding and sustainability of social care for people in later life and those with disabilities or who need extra support for any other reason remains one of Britain's biggest challenges. Our care business needs to meet the highest standards of performance, quality and compliance and be financially viable.

## **EMH CARE AND SUPPORT LIMITED TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 MARCH 2024

### **Future Plans (continued)**

Our focus remains meeting the needs of people with learning disabilities and people in later life. We will continuously monitor the quality and compliance of our services, ensuring that they remain safe, effective, caring, responsive and well-led. We are committed to meeting the highest standards of care for all of our service users, and to ensuring that they enjoy the best possible quality of life.

Our objectives to deliver this are: -

- ✓ Achieve a surplus of 5% at year end;
- ✓ All our services will be a minimum of CQC good rating;
- ✓ Reduce staff turnover and provide career paths by improving terms, conditions and skills of colleagues;
- ✓ We will draw on our experience and expertise in care to lead on safeguarding compliance for all colleagues and customers;
- ✓ We will work with emh homes to integrate our housing and care services to provide a holistic support solution for customers;
- ✓ We will actively negotiate rates and contracts with principal partner local authorities;
- ✓ We will ensure customer satisfaction remains high;
- ✓ We will ensure that all care records digitised by 2024.

### **Developing our Services**

As per the Care and Support Strategy our key focus remains meeting the needs of people with learning disabilities and people in later life. We are committed to meeting the highest standards of care for all of our service users, and to ensuring that they enjoy the best possible quality of life.

We remain longstanding members of key frameworks and are working closely with partners to maintain and develop those relationships.

The delivery of care to older people is a strategically important part of our service offering and recognises the growing crisis in older person's services due to longer lifespans, growing population and chronic under-investment from central and local government, we are pleased to continue to be part of the solution. emh has four extra care schemes that are operational at present, St Mary's Lutterworth, Oak Court Blay, Waterside Court Loughborough, and Springfields Ashby de la Zouch with an enhanced intensive housing management offering at Wrights Court Northampton. Our Development Strategy supports the provision of two further extra care schemes as part of our commitment to delivering 10% supported housing within our programme.

Through our partnership work we have identified two opportunities to deliver extra care schemes and continue to progress these. The first scheme is in Leicester City and will provide 75 extra care homes with associated facilities.

It is based on an intergenerational model with a mix of working age adults and older people with care and support needs. The second scheme is in Blaby, scheme of 120 homes with associated facilities. Our approach is based on partnership and collaboration with key stakeholders to ensure we design quality schemes integrated within the local community.

## EMH CARE AND SUPPORT LIMITED TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2024

### Regulation

All our services are now rated as good by our regulator, the Care Quality Commission (CQC). The CQC uses the following rating system: -



#### Outstanding

The service is performing exceptionally well.



#### Good

The service is performing well and meeting our expectations.



#### Requires improvement

The service isn't performing as well as it should be and we have told the service how it must improve.



#### Inadequate

The service is performing badly and we've taken action against the person or organisation that runs it.

During their inspections the CQC seek to answer 5 key questions about the service: -

1. Are they safe? – you are protected from abuse and avoidable harm
2. Are they effective? - your care, treatment and support achieves good outcomes, helps you to maintain quality of life and is based on the best available evidence
3. Are they caring? – staff involve and treat you with compassion, kindness, dignity and respect
4. Are they responsive to people's needs? – services are organised so that they meet your needs
5. Are they well-led? – the leadership, management and governance of the organisation make sure its providing high-quality care that's based around your individual needs, that it encourages learning and innovation, and that it promotes an open and fair culture.

Our registered services are rated good by the CQC with the exception of one nursing home which has recently been deemed to require improvement. Our supported living off is yet to be inspected.

# EMH CARE AND SUPPORT LIMITED TRUSTEES' ANNUAL REPORT

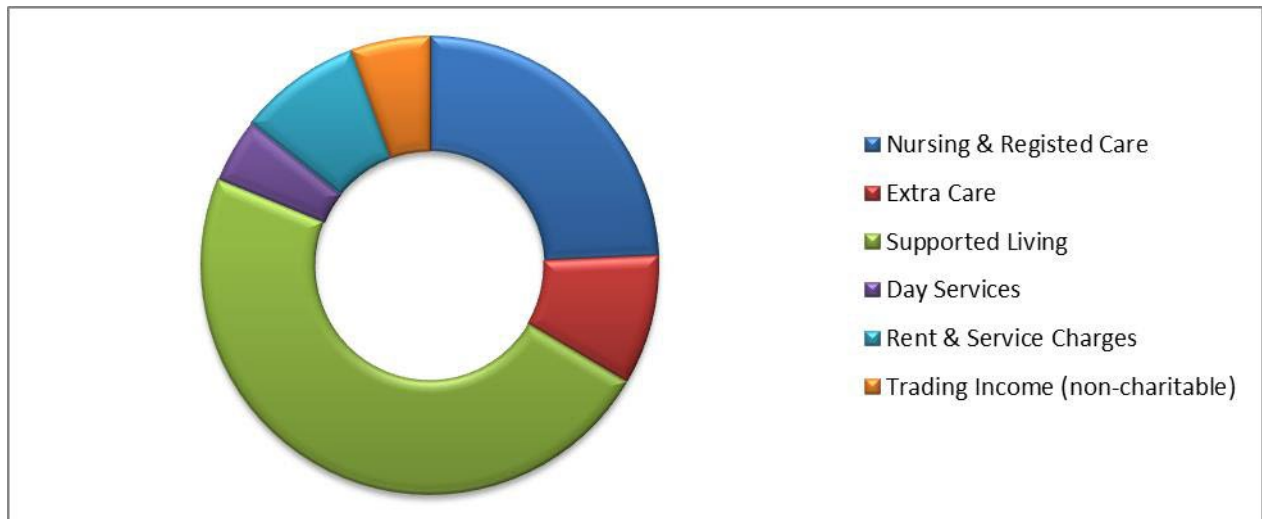
FOR THE YEAR ENDED 31 MARCH 2024

## Financial Review & Reserves Policy

The charity generated £21m of income during the year, an increase of £2.7m from the prior year. Our supported living offering remained strong as did our extra care services. Income generated from noncharitable activities has increased in year following disposal of unviable properties, investment of funds and gift aid from emh group.

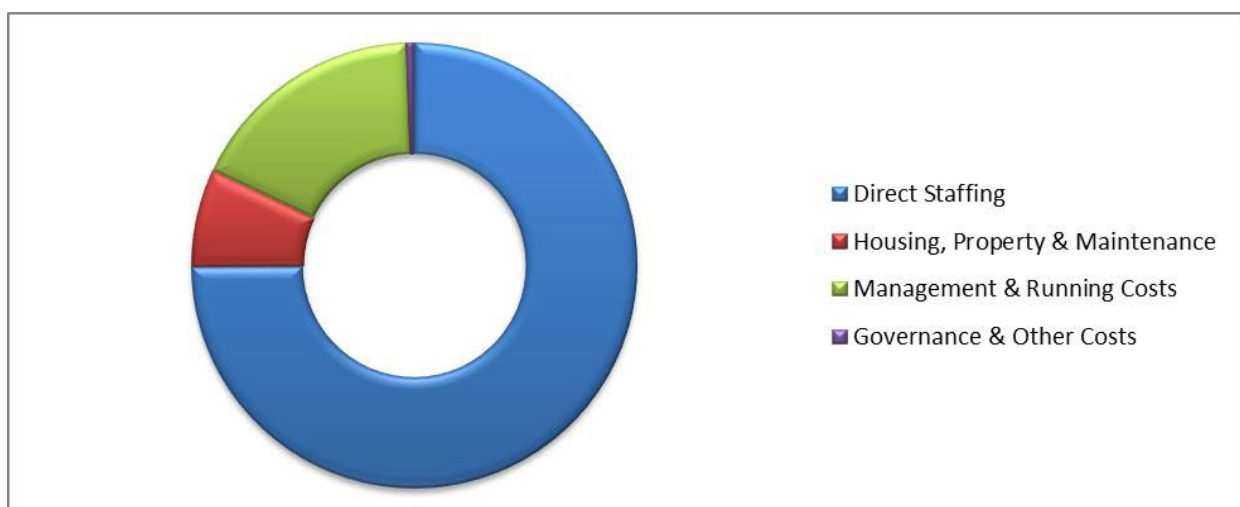
94% of our income is generated through our charitable activities. This has decreased from 99% in the previous year as other initiatives are undertaken to support the charities financial position.

All of our income is unrestricted and is used by emh care and support for its general purpose to fulfil its charitable objectives. The chart below shows the main sources of income during the year: -



The majority of our income is spent on delivering the services and maintaining our properties. Our largest area of expenditure remains on the nurses, support workers and other staff directly involved in the delivery of front-line services who are the back-bone of our organisation.

Running costs and overheads of £20.9m were incurred in the year, £1.3m higher than in 2023. Our main expenditure remains on staffing to ensure we continue to provide the highest level of care. Staffing challenges are still evident in the sector and we continue to see the effects of this financially. In order to have a robust and safe structure we have seen costs increase in our management structure to support our ongoing care levels. The chart below shows the main expenditure areas:



## **EMH CARE AND SUPPORT LIMITED** **TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 MARCH 2024

### **Financial Review & Reserves Policy (continued)**

Whilst we aim to make a small surplus each year to reinvest back into capital maintenance and service improvement initiatives, our Statement of Financial Activities shows a deficit for the year of (£139k) (2023: (£1,475k) deficit). This is now the third year in deficit and includes additional income received from disposal of properties, investment of funds and gift aid received. Due to these additional income streams the charity generated a £38k surplus prior to adjustments being made.

One such adjustment that led to the deficit includes the increase in pension liabilities of £103k following the reassessment by the actuary. Strategic plans are in place to mitigate these losses in the future. At present the total pension liability is £652k with the results from the latest triannual evaluation in September 2023 still undisclosed. During the year the office previously used by the charity was leased to a third party and the reclassification to an investment property resulted in a £74k loss in year. This action will see overheads reduce in future years as the office base now used is more economical.

2024 has been another challenging year and balancing quality services with financial viability will continue to be a key focus of the organisation with our ultimate aim being for each service area to at least cover its costs. We continue to develop our financial management culture, closely monitor financial performance against budget and explore opportunities to expand the service where it is financially beneficial to do so.

The organisation aims to balance having sufficient reserves to continue to deliver our services in challenging times whilst maximising the resources available for charitable purposes. The trustees consider it prudent to hold in reserve a minimum of 3 months operating expenditure to cover payments to staff, service users and major contracts, this amounts to c. £5m.

The trustees also accept that there is always an inherent risk that the charity could lose a significant contract(s) and consider it prudent to hold in reserve sufficient amounts to cover any redundancy costs that may occur as a result. Consideration has also been taken to cover the possibility that a service becomes unviable due to increased costs and reduced income however may be crucial to those we support. Finally the early replacement of components in our properties requires a prudent approach.

At the end of the financial year the organisation had fixed assets of £8.4m (2023: £8.8m), net current assets of £6.6m (2023: £6.7m) and total funds of £13.9m (2023: £14m). Whilst the strength of the financial position has again eroded in year the active asset disposal programme has supported the cash flow in year and steps are being taken to ensure a healthy position going in to the next financial year. Cash balances have held in year at £7m. These are all above the reserves policy of £5m.

### **Risk**

The main risks and uncertainties faced by the Group are considered by a Risk Panel which includes the Executive Management Team. The Risk Panel reports to the Group Audit Committee. The Board receives a summary of key strategic risks associated with the delivery of the Business Plan based on risk appetite. The Board review and update our risk appetite on an annual basis, ensuring it is aligned with our Risk Strategy.

A comprehensive risk map is used to record risks, assess their likelihood and impact and highlight key controls in place to manage and mitigate risks. It acts as an early warning system and is refreshed at each Risk Panel and Audit Committee meeting. Emerging risks are also captured, closely monitored and escalated onto the risk map as appropriate.

The Care and Support environment remains challenging and uncertain with the ongoing resource scarcity, reduced funding, stronger regulation, the personalisation agenda and safeguarding risks. We believe that we have the control systems in place to identify and mitigate against these risks and have a targeted programme of internal audits. A selection of the key risks faced by the organisation can be found in the consolidated accounts of our parent company; emh group which can be found at [www.emhgroup.org.uk](http://www.emhgroup.org.uk).

## **EMH CARE AND SUPPORT LIMITED TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 MARCH 2024

### **Risk (continued)**

As with many providers in our sector the current environment has had a significant impact on the services we deliver and how we deliver them. The ever changing landscape has posed a significant risk not only financially and operationally but to staff and service user welfare. We maintained our new working practices with high service standards and continued to access funding where possible to support with increased running costs. As we emerge from the pandemic the landscape is continually monitored and risks identified and mitigated where possible. Challenges in the coming year have been acknowledged and plans are in place to move the services forward and improve the financial position where possible.

The Charity has sufficient financial resources based on forecasts and current expectations of future sector conditions. As a consequence, the Trustees believe that the Charity is well placed to manage their business risks successfully. The Trustees has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees therefore continue to adopt the going concern basis in preparing these financial statements.

### **Employment of People with Disabilities**

The charity's policy is to give full and fair consideration to applications for employment made by people with disabilities, having regard to their particular aptitudes and abilities. People with disabilities receive appropriate training to promote their career development within the charity. Employees who become disabled are retained in the existing posts where possible or retrained for suitable alternative posts.

### **Grants and Donations**

During the year the charity made no charitable donations (2023: £nil).

The charity has no specific grant making policies; however, all grants are considered independently by the Board of Trustees.

### **Approval**

The trustees, in their capacity both as trustees and company directors, have reviewed and approved the trustees' report, which incorporates the directors' report and strategic report and it is signed on their behalf by: -

*J. Tilley*

J. Tilley (Jul 30, 2024 12:25 GMT+1)

**JOANNE TILLEY**

Secretary

26<sup>th</sup> July 2024

## **EMH CARE AND SUPPORT LIMITED STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

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

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

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

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

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

### **Disclosure of information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Association's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Association's auditor is aware of that information.

On behalf of the Board of Directors

***M Coward***

M Coward (Aug 5, 2024 15:35 GMT+1)

**Margaret Coward**

Chair

26<sup>th</sup> July 2024

# EMH CARE AND SUPPORT LIMITED INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF EMH CARE AND SUPPORT LIMITED

FOR THE YEAR ENDED 31 MARCH 2024

## Opinion

We have audited the financial statements of emh Care and Support Limited ("the charitable company") for the year ended 31 March 2024 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

## Going concern

The Trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charitable company or to cease its operations, and as they have concluded that the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Trustees' conclusions, we considered the inherent risks to the charitable company's business model and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

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

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

**EMH CARE AND SUPPORT LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF EMH CARE AND SUPPORT LIMITED**  
FOR THE YEAR ENDED 31 MARCH 2024

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

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

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

- Enquiring of Trustees, the audit committee and inspection of policy documentation as to the Charitable company’s high-level policies and procedures to prevent and detect fraud, and the Charitable company’s channel for “whistleblowing”, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and audit committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular:

- the risk that management may be in a position to make inappropriate accounting entries; and
- the risk that Care and Support income is overstated through recording revenues in the wrong period.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of the Charitable company-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included revenue, cash and borrowings transactions posted to unexpected account combinations.
- Sample testing of care and support income to 31 March 2024 and the period post 31 March 2024 to determine whether income is recognised in the correct accounting period.

## **EMH CARE AND SUPPORT LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF EMH CARE AND SUPPORT LIMITED**

FOR THE YEAR ENDED 31 MARCH 2024

#### **Fraud and breaches of laws and regulations – ability to detect** (continued)

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

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

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety and data protection laws, recognising the regulated nature of the charitable company's activities. 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. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

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

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

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

#### **Trustees' report**

The Trustees are responsible for the Trustees' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the Trustees' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Trustees' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

**EMH CARE AND SUPPORT LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF EMH CARE AND SUPPORT LIMITED**

FOR THE YEAR ENDED 31 MARCH 2024

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

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

**Trustees' responsibilities**

As explained more fully in their statement set out on page 13, the Trustees are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities**

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

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

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

This report is made solely to the 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.



**Mark Dawson (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

One Snowhill  
Snowhill Queensway  
Birmingham  
B4 6GH  
19 August 2024

**EMH CARE AND SUPPORT LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**

FOR THE YEAR ENDED 31 MARCH 2024

		2024	2024	2024	2023
		Unrestricted	Restricted	Total	Total
		Funds	Funds	Funds	Funds
	Note	£000	£000	£000	£000
<b>Income from :</b>					
Income from Charitable Activities	3	19,793	-	19,793	18,036
Gift Aid Received		250	-	250	-
Other income	4	914	-	914	212
<b>Total Incoming Resources</b>		<b>20,957</b>	<b>-</b>	<b>20,957</b>	<b>18,248</b>
<b>Resources Expended</b>					
<b>Expenditure on :</b>					
Charitable activities:	3	20,811	9	20,820	19,566
Other Expenditure	5	99	-	99	51
<b>Total Resources Expended</b>		<b>20,910</b>	<b>9</b>	<b>20,919</b>	<b>19,617</b>
Gains/(losses) on investment properties	11	(74)	-	(74)	-
Remeasurement of Social Housing Pension Scheme	8	(103)	-	(103)	(106)
<b>Net incoming resources before transfers</b>		<b>(130)</b>	<b>(9)</b>	<b>(139)</b>	<b>(1,475)</b>
<b>Transfers</b>					
Gross transfers between funds		299	(299)	-	-
<b>Net movement in funds</b>		<b>169</b>	<b>(308)</b>	<b>(139)</b>	<b>(1,475)</b>
Funds brought forward at 1 April 2023		13,304	731	14,035	15,510
<b>Funds carried forward at 31 March 2024</b>		<b>13,473</b>	<b>423</b>	<b>13,896</b>	<b>14,035</b>

The results shown above are all derived from continuing activities.

The accompanying notes form part of these financial statements.

**EMH CARE AND SUPPORT LIMITED****BALANCE SHEET**

AS AT 31 MARCH 2024

	Note	2024 £000	2023 £000
<b>Fixed assets</b>			
Housing properties	11	7,624	7,825
Investment properties	11	370	-
Other fixed assets	11	453	968
		8,447	8,793
<b>Current assets</b>			
Trade and other debtors	13	1,827	1,600
Cash and cash equivalents		6,992	6,930
		8,819	8,530
<b>Creditors: amounts falling due within one year</b>	14	(2,177)	(1,848)
Net current assets		6,642	6,682
<hr/>			
Total assets less current liabilities		15,089	15,475
<b>Creditors: amounts falling due after more than one year</b>	15	(513)	(703)
<b>Provision for liabilities</b>			
Other provisions	18	(28)	(78)
Pension liability	8	(652)	(659)
<hr/>			
<b>Net assets</b>		13,896	14,035
<hr/>			
<b>Funds</b>			
Restricted	19	423	731
Unrestricted	20	13,473	13,304
		13,896	14,035

The accompanying notes form part of these financial statements.

These financial statements were approved by the Board on 26 July 2024 and were signed on its behalf by:

M Coward  
M Coward (Aug 5, 2024 15:35 GMT+1)

**Margaret  
Coward**  
Chair

J. Tilley  
J. Tilley (Jul 30, 2024 12:25 GMT+1)

**Joanne  
Tilley**  
Secretary

**EMH CARE AND SUPPORT LIMITED**  
**STATEMENT OF CASHFLOWS**

FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £000	2023 £000
Net cash inflow/(outflow) from operating activities	24	(1,269)	(671)
<b>Cash Flows from Investing Activities</b>			
Interest received		255	2
Purchase of tangible assets		(254)	(137)
Receipts from sale of assets		1,325	600
<b>Cash provided by (used by) Investing Activities</b>		<b>1,326</b>	<b>465</b>
<b>Cash Flows from Financing Activities</b>			
Interest paid		5	5
<b>Cash provided by Financing Activities</b>		<b>5</b>	<b>5</b>
<b>Reconciliation of net cash flow to movement in net funds</b>			
(Decrease)/increase in cash in the period		62	(201)
Cash and Cash equivalents at 1 April		6,930	7,131
<b>Cash and Cash equivalents at 31 March</b>		<b>6,992</b>	<b>6,930</b>
	<b>At 1 April 2023 £000</b>	<b>Cash Flows £000</b>	<b>At 31 March 2024 £000</b>
<b>Analysis of Cash and Cash equivalents</b>			
Cash at bank and in hand	6,930	62	6,992
<b>Total Cash and Cash equivalents</b>	<b>6,930</b>	<b>62</b>	<b>6,992</b>

The accompanying notes form part of these financial statements.

# **EMH CARE AND SUPPORT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

### **1 Constitution**

---

emh Care and Support Limited is a company limited by guarantee (registered number 2488821). At 31 March 2024, there was 1 member whom on the event of winding up has undertaken to contribute to an amount not exceeding £1. The company is also a registered charity (registered number 1001704).

### **2 Principal Accounting Policies**

---

The financial statements of the charity are prepared in accordance with Financial Reporting Standard 102 - the applicable financial reporting standard in the UK and Republic of Ireland (FRS 102) and the Statement of Recommended Practice: Accounting and Reporting by Charities Update 2019. The principal accounting policies adopted in the preparation of the financial statements are as follows:

The presentation currency of these financial statements is sterling. All amounts have been rounded to the nearest £1,000.

The Charities ultimate parent undertaking, East Midlands Housing Group Limited includes the charity in its consolidated financial statements. The consolidated financial statements of East Midlands Housing Group are available to the public and may be obtained at [www.emhgroup.org](http://www.emhgroup.org). In these financial statements, the charity is considered to be a qualifying entity, but has not applied any exemptions available under FRS 102 in respect of disclosures.

#### **Going Concern**

The financial statements have been prepared on a going concern basis which the trustees consider to be appropriate for the following reasons.

The Charity prepares a 30 year business plan which is updated and approved on an annual basis. The most recent business plan was approved in June 2024 by the Board. As well as considering the impact of a number of scenarios on the business plan the Board also adopted a stress testing framework against the base plan.

The board, after reviewing the charity budgets for 2024/25 and the charity's medium term financial position as detailed in the 30-year business plan, is of the opinion that, taking account of severe but plausible downsides, the charity has adequate resources to continue in business for the foreseeable future. In order to reach this conclusion, the Board have considered:

- Staffing costs – budget and business plan scenarios have been modelled to take account of cost increases as a result of staff unable to work and additional agency staff being required;
- Specialist equipment costs - budget and business plan scenarios have also been modelled to take account of cost increases relating to specialist equipment needed such as additional PPE;
- Liquidity – current available cash gives significant headroom for committed spend and other forecast cash flows that arise;

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

**2 Principal Accounting Policies (continued)**

---

**Going Concern (continued)**

Consequently, the Trustees are confident that the Charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

**Incoming resources**

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

**Resources expended**

Expenditure is recognised on an accrual basis as a liability when incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

**2 Principal Accounting Policies (continued)**

---

**Housing properties**

Costs include the cost of acquiring land and buildings, directly attributable development costs, interest at the average cost of borrowing for the development period and expenditure incurred in respect of improvements which comprise the modernisation and extension of existing properties.

*Depreciation*

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each component part of housing properties. Land is not depreciated. The estimated useful lives are as follows:-

	<b>years</b>
Structure	50-100
Boilers	15 years
Kitchens	20 years
Windows and doors	30 years
Roofs	50 years
Bathrooms	30 years
Other components	30 years

Leasehold properties are depreciated over the useful lives above, or the length of the lease, whichever is the shorter period.

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant changes since the last annual reporting date in the pattern by which the charity expects to consume an asset's future economic benefits.

*Non component works to existing properties*

The amount of expenditure incurred, which relates to an improvement, which is defined as an increase in the net rental stream or the life of a property, has been capitalised. Expenditure incurred on other major repairs, cyclical and day-to-day repairs to housing properties is charged to the profit and loss account in the period in which it is incurred.

**Investment Properties**

Investment properties consist of properties not used for charitable purposes and let at market rate. They are measured at cost on initial recognition and subsequently at fair value at the year end. Fair value is determined through an annual desktop review or where triggers indicate a valuation may be appropriate.

**Other tangible fixed assets**

Other tangible fixed assets include those assets with an individual value in excess of £1,000.

Depreciation is provided evenly on the cost of other tangible fixed assets to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The principal annual rates used for other assets are:

Office furniture and equipment	10%-33%
Motor vehicles	25%
Housing accommodation furniture and equipment	10%
Freehold office premises	2%

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

**2 Principal Accounting Policies (continued)**

---

**Social housing grant**

Social housing grant is not specifically addressed under the Charity SORP and instead the Housing SORP is followed. This provides consistency across the Group and is more applicable to the activities carried out by the charity.

Social housing grant is initially recognised at fair value as a long term liability, specifically as deferred grant income and released through the profit and loss as income over the life of the structure of housing properties in accordance with the accrual method applicable to social landlords accounting for housing properties at cost.

On disposal of properties, all associated social housing grant is transferred to the Recycled Capital Grant Fund (RCGF) until the grant is recycled or repaid to reflect the existing obligation under the social housing grant funding regime.

**Impairment excluding stocks and deferred tax assets**

*Financial assets (including trade and other debtors)*

A financial asset not carried at fair value through profit and loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial assets is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Charity would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit.

*Fixed Assets*

The Charities internal controls are designed to identify where the value of property, plant and equipment and work in progress as held on the Statement of Financial Position is more than the lower of cost or net realisable value. Where there is evidence of impairment, fixed assets are written down to the recoverable amount, this is likely to be the value in use of the asset based on its service potential. Where an asset is currently deemed not to be providing service potential to the charity, its recoverable amount is its fair value less costs to sell. The resulting impairment loss is recognised as expenditure in income and expenditure.

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

**2 Principal Accounting Policies (continued)**

---

**Employee benefits**

Defined benefit plans

A defined benefit plan is a post-employment plan other than a defined contribution plan. The Charity's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plans assets is deducted. The Charity determines the net interest expense on the net defined benefit liability for the period by applying the discount rate as determined at the beginning of the annual period to the net defined benefit liability taking account of changes arising as a result of contributions and benefit payments.

The discount rate is the yield at the balance sheet date on AA credit rated bonds denominated in the currency of, and having maturity dated approximating to the terms of the Charity's obligations. A valuation is performed annually by a qualified actuary using the projected unit credit method. The Charity recognises net defined benefit plan assets to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Changes in the net defined benefit liability arising from employee service rendered during the period, net interest on net defined liability, and the cost of plan introductions, benefit changes, curtailments and settlements during the period are recognised in surplus.

Remeasurement of the net defined benefit liability is recognised in other comprehensive income.

The Charity participates in The Pensions Trust Social Housing Pension Scheme and the NHS Pension Scheme.

The Pensions Trust Social Housing Pension Scheme

The Social Housing Pension Scheme (SHPS) is a multi-employer scheme which provides benefits to 500 non-associated employers. The Scheme is a defined benefit scheme in the UK. The assets of the scheme are held separately from the Charity.

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

The NHS Pension Scheme

The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable members to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the member of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

**Termination benefits**

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

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL**  
**STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

**2 Principal Accounting Policies**  
**(continued)**

---

**Reserves**

The charity maintains the level of reserves required to fulfil its objectives. The board of trustees monitors reserves at regular board meetings.

**Funds**

General funds are unrestricted funds which 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 above in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with the specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the charity, principally investments. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund.

**Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Cash and cash equivalents**

Comprise of cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the charity's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

**Creditors and Provisions**

Creditors and provisions 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The Charity recognises a provision for annual leave accrued by employees as a result of services rendered in the current period and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary costs for the period of absence.

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL**  
**STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

**2 Principal Accounting Policies (continued)**

---

**Financial Instruments**

The Charity 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.

**Key Judgements, Estimates and Assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the financial reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on the amounts recognised in the financial statements.

The recoverability of rent arrears and trade debtors

The estimate for rent arrears and trade debtors relates to the recoverability of the outstanding balances at the reporting date. For rental arrears experience shows that the longer a debt is outstanding the greater the likelihood that the debt will not be recovered in full. Based on this a provision for bad and doubtful arrears debts is estimated based on 50% of the value of current tenant arrears and 100% of former tenant arrears. Trade Debtors are reviewed on an individual balance basis and a provision created for bad and doubtful debts based on the on the age and likely recoverability of the debt.

Impairment of property values

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. A cash generating unit is normally a group of properties at a scheme level whose cash income can be separately identified.

Factors taken into consideration in reaching the decision as to whether there are indicators of impairment of housing properties are;

- The development programme
- Government policy, regulation or legislation
- Demand
- Market Value
- Obsolescence

No triggers for impairment have been identified.

Defined benefit pensions liabilities

The cost of defined benefit pension plans is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plan, such estimates are subject to significant uncertainty. Further details are given in Note 8.

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	£000	£000
<b>3 Charitable Activities</b>		
<u>Income from Charitable Activities</u>		
Registered care funding	5,089	5,112
Supported living contracts	9,997	11,069
Rental income & service charges	1,796	1,835
Amortised government grant	8	9
Other Charitable Income	2,903	11
<b>Total Income from Charitable Activities</b>	<b>19,793</b>	<b>18,036</b>
<u>Expenditure on Charitable Activities</u>		
Care staff costs, including training	15,666	14,996
Service user allowances	-	84
Housing costs	745	991
Maintenance costs	436	501
Salaries & management costs	3,050	2,609
Registration fees	-	9
Professional fees	49	49
Depreciation and impairment	296	326
Bad Debts	47	49
Other costs	522	(59)
<b>Total Expenditure on Charitable Activities</b>	<b>20,811</b>	<b>19,555</b>
<u>Restricted Funds</u>		
Depreciation and impairment	9	11
	9	11
<b>4 Other Income</b>		
Fixed asset disposal proceeds	753	600
Fixed asset grant abated	181	-
Fixed asset cost of disposals	(275)	(464)
<b>Gain on disposal of fixed assets</b>	<b>659</b>	<b>136</b>
Interest Received	255	2
Other Income	-	74
<b>Total Other Income</b>	<b>914</b>	<b>212</b>

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL**  
**STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
<b>5 Other Expenditure</b>		
Interest Payable	29	17
Governance; Professional Fees	70	34
	70	34
Total Other Expenditure	99	51

**6 Net Incoming Resources**

Surplus of income over expenditure is arrived at after charging:

Depreciation & amortisation	306	337
Auditors remuneration	70	34

**7 Staff numbers and costs**

The average number of persons employed by the charity (including trustees who are not paid employees) during the year, analysed by category, was as follows:

	<b>2024</b>	<b>2023</b>
	<b>Number</b>	<b>Number</b>
Care and support staff	330	415
Office Staff	38	46
Trustees	5	5
	373	466

The methodology for calculating staff numbers has been changed in the year to ensure consistency across emh Group and now excludes leavers.

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Staff costs for the above persons:		
Wages and salaries	11,661	11,190
Social security costs	1,034	1,039
Pension costs	597	596
Termination Benefits	43	9
	13,335	12,834

None of the trustees received remuneration or expenses for their services as trustees of emh Care & Support Limited. Those trustees who also serve on the East Midlands Housing Group Board are remunerated for their services by East Midlands Housing Group Limited year (2023: £ nil).

The Executive Director is employed by the parent company; East Midlands Housing Group Limited.

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

**7 Staff numbers and costs** (continued)

---

Salary bandings for all employees earning over £60,000 (including salary, pension contribution, benefits in kind and termination payments):

	2024 Number	2023 Number
Bands		
£60,001 to £70,000	-	1
£70,001 to £80,000	1	-

**8 Employee Benefits**

---

The charity operates two defined benefit pension schemes.

Summary of the movement on pension scheme liabilities for the year ended 31 March 2024

	The Pensions Trust - SHPS	The Pensions Trust - Growth Plan
	£000	
Net liability at 1 April 2023	659	2
Loss in the period charged to the profit & loss account	34	(2)
Loss in the period charged to other comprehensive income	103	-
Deficit contribution paid	(144)	-
Net liability at 31 March 2024	652	-

---

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL**  
**STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

**8 Employee Benefits (continued)**

---

**The Pensions Trust - Social Housing Pension Scheme**

The charity participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

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

The last completed triennial valuation of the scheme for funding purposes was carried out as at 30 September 2020. This valuation revealed a deficit of £1,560m. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028.

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

For accounting purposes, a valuation of the scheme was carried out with an effective date of 30 September each year. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March to 28 February inclusive.

The latest accounting valuation was carried out with an effective date of 30 September 2023. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2024 to 28 February 2025 inclusive.

The liabilities are compared, at the relevant accounting date, with the charity's fair share of the Scheme's total assets to calculate the charity's net deficit or surplus.

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Present values of defined benefit obligation, fair value of assets and defined benefit asset (liability)</b>		
Fair value of plan assets	2,811	2,836
Present value of defined benefit obligation	(3,463)	(3,495)
Defined benefit (liability)/asset to be recognised	(652)	(659)

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

	2024 £'000	2023 £'000
<b>8 Employee Benefits (continued)</b>		
<b><u>The Pensions Trust - Social Housing Pension Scheme (continued)</u></b>		
<b>Reconciliation of opening and closing balances of the defined benefit obligation</b>		
Defined benefit obligation at start of period	3,495	4,725
Expenses	5	5
Interest expense	168	130
Actuarial losses/(gains) due to scheme experience	(47)	64
Actuarial losses/(gains) due to changes in demographic assumptions	(41)	(9)
Actuarial losses/(gains) due to changes in financial assumptions	8	(1,301)
Benefits paid and expenses	(125)	(119)
Defined benefit obligation at end of period	3,463	3,495
<b>Reconciliation of opening and closing balances of the fair value of plan assets</b>		
Fair value of plan assets at start of period	2,836	4,058
Interest income	139	113
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(183)	(1,352)
Contributions by the employer	144	136
Benefits paid and expenses	(125)	(119)
Fair value of plan assets at end of period	2,811	2,836
The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2023 to 31 March 2024 was £(44,000).		
<b>Defined benefit costs recognised in statement of comprehensive income (SOCl)</b>		
Expenses	5	5
Net interest expense	29	17
Defined benefit costs recognised in statement of comprehensive income (SoCl)	34	22
<b>Defined benefit costs recognised in other comprehensive income</b>		
Experience on plan assets (excluding amounts included in net interest cost) - gain/(loss)	(183)	(1,352)
Experience gains and losses arising on the plan liabilities - (loss)/gain	47	(64)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - (loss)/gain	41	9
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - (loss)/gain	(8)	1,301
Total amount recognised in other comprehensive income - (loss)/gain	(103)	(106)

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

**8 Employee Benefits** (continued)

**The Pensions Trust - Social Housing Pension Scheme** (continued)

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Assets</b>		
Global Equity	280	53
Absolute Return	110	31
Distressed Opportunities	99	86
Credit Relative Value	92	107
Alternative Risk Premia	89	5
Emerging Markets Debt	36	15
Risk Sharing	165	209
Insurance-Linked Securities	15	72
Property	113	122
Infrastructure	284	324
Private Equity	2	-
Private Debt	111	126
Opportunistic Illiquid Credit	110	121
High Yield	-	10
Cash	55	20
Long Lease Property	18	86
Secured Income	84	130
Liability Driven Investment	1,144	1,307
Currency Hedging	(1)	5
Net Current Assets	5	7
<b>Total assets</b>	<b>2,811</b>	<b>2,836</b>

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL**  
**STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

**8 Employee Benefits** (continued)

**The Pensions Trust - Social Housing Pension Scheme** (continued)

**Key Assumptions**

	<b>2024</b>	<b>2023</b>
	<b>% per</b>	<b>% per</b>
	<b>annum</b>	<b>annum</b>
Discount Rate	4.87	4.88
Inflation (RPI)	3.19	3.20
Inflation (CPI)	2.76	2.74
Salary Growth	3.76	3.74
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

At 31st March 2024, the discount rate model was updated from "The Mercer Yield Curve - without options" to "The Mercer Yield Curve - expanded dataset". A key difference is that the revised model uses extra high quality corporate bond data, resulting in an assumption that is less volatile and more in line with other market curves.

The mortality assumptions adopted at 31 March 2024 imply the following life expectancies:

	<b>Life expectancy at age 65 (Years)</b>
Male retiring in 2024	20.5
Female retiring in 2024	23.0
Male retiring in 2044	21.8
Female retiring in 2044	24.4

The Charity expects to contribute £151k to the scheme in the period to 31 March 2025.

We were notified in 2021 by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee is seeking clarification from the Court on these items, and this process is ongoing with it being unlikely to be resolved before the end of 2025 at the earliest. It is estimated that this could potentially increase the value of the full Scheme liabilities by £155m. We note that this estimate has been calculated as at 30 September 2022 on the Scheme's Technical Provisions basis. Until the Court direction is received, it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL**  
**STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

**8 Employee Benefits** (continued)

---

**The Pensions Trust - The Growth Plan**

The charity participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

*Deficit contributions*

---

From 1 April 2022 to 31 January 2025: (payable monthly)

---

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

*Deficit contributions*

---

From 1 April 2019 to 30 September 2025: (payable monthly and increasing by 3.0% each year on 1 April)

---

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the charity has agreed to a deficit funding arrangement the charity recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL**  
**STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	£000	£000
<b>8 Employee Benefits (continued)</b>		
<hr/>		
<b><u>The Pensions Trust - The Growth Plan</u></b> <b><u>(continued)</u></b>		
<u>Present Value of provision</u>		
<hr/>		
Present value of provision at period end	-	2
<hr/>		
<u>Reconciliation of opening and closing provisions</u>		
Provision at start of period	2	2
Deficit contribution paid	(2)	-
Provision at the end of period	-	2
<hr/>		
<u>Assumptions</u>		
Rate of discount per annum	5.31%	5.52%

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

**9 Auditors Remuneration**

Fees payable to the charity's auditor for the audit of the annual accounts	70	34
--	----	----

**10 Taxation**

The company is a registered charity and has no trading activities liable to taxation

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED 31 MARCH  
2024

**11 Fixed Assets**

<u>Housing Assets</u>	Assets in the course of construction £000	Day service properties £000	Nursing homes properties £000	Supported housing properties £000	Total £000
<b>Cost</b>					
1 April 2023	-	1,265	3,503	6,425	11,193
Replacement of Components	107	-	-	65	172
Disposals	-	(268)	-	(24)	(292)
31 March 2024	107	997	3,503	6,466	11,073
<b>Accumulated depreciation</b>					
1 April 2023	-	296	1,139	1,616	3,051
Charge for year	-	17	45	94	156
Disposals	-	(53)	-	(22)	(75)
31 March 2024	-	260	1,184	1,688	3,132
<b>Impairment</b>					
1 April 2023	-	-	317	-	317
31 March 2024	-	-	317	-	317
<b>Net book value</b>					
31 March 2024	107	737	2,002	4,778	7,624
31 March 2023	-	969	2,047	4,809	7,825
				<b>2024</b>	<b>2023</b>
				<b>£000</b>	<b>£000</b>
<u>Investment Properties</u>					
1 April 2023				-	-
Transferred from other fixed assets				444	-
Revaluation				(74)	-
31 March 2024				370	-

The investment property is long leasehold office that the charity no longer uses for its own purposes and has sub-let to a third party on a long term lease.

The last valuation of the property was carried out at December 2023 by Tim Richardson BSc MRICS, a director at FHP Property Consultants and a RICS Registered Valuer. The valuation was prepared on a Market Value and Market Rent basis in accordance with VPS4 of the most recent Red Book.

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH  
2024

**11 Fixed Assets (continued)**

<u>Other Fixed Assets</u>	<b>Freehold Offices £000</b>	<b>Leasehold Offices £000</b>	<b>Fixtures, Fittings and Equipment £000</b>	<b>Plant and Vehicles £000</b>	<b>Total £000</b>
<b>Cost</b>					
1 April 2023	256	863	480	173	1,772
Additions	-	-	81	-	81
Disposals	-	(698)	(130)	(51)	(879)
Transfers	-	(165)	165	-	-
31 March 2024	256	-	596	122	974
<b>Accumulated depreciation</b>					
1 April 2023	100	211	332	161	804
Charge for year	3	52	84	11	150
Disposals	-	(262)	(120)	(51)	(433)
Transfers	1	(1)	-	-	-
31 March 2024	104	-	296	121	521
<b>Net book value</b>					
31 March 2024	152	-	300	1	453
31 March 2023	156	652	148	12	968

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL**  
**STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
<b>12 Impairment of Housing Assets</b>		
During the year emh Care and Support carried out a desktop review of its property portfolio and identified no triggers for impairment.		
<b>13 Debtors</b>		
Current tenant arrears	42	44
Less provision for bad and doubtful debts	(20)	(27)
Former tenant arrears	4	1
Less provision for bad and doubtful debts	(4)	(1)
Trade debtors	718	776
Less provision for trade debtors	(50)	(87)
Prepayments and accrued income	892	787
Other debtors	19	9
Amounts due from Group Companies	226	98
	<b>1,827</b>	<b>1,600</b>
<b>14 Creditors: amounts falling due within one year</b>		
Trade creditors	282	685
Rent received in advance	81	82
Accruals and deferred income	1,495	1,004
Taxation and social security	236	-
Pension deficit contributions	-	2
Other creditors	25	25
Amounts due to Group Companies	58	50
	<b>2,177</b>	<b>1,848</b>
	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
<b>15 Creditors: amounts falling due after more than one year</b>		
Deferred government grants (see note 17)	513	703
	<b>513</b>	<b>703</b>

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL**  
**STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

**16 Deferred Income**

Included within Accruals and deferred income in note 14 are the following deferred income balances.

	<u>At 1 April</u> <u>2023</u>	<u>Released to</u> <u>income in</u> <u>year</u>	<u>Deferred in</u> <u>year</u>	<u>At 31</u> <u>March</u> <u>2024</u>
TUPE Overpayment	138	-	210	348
TUPE Bed Fees	164	(164)	160	160
Others	2	-	8	10
	304	(164)	378	518

The TUPE overpayment relates to fees from Derbyshire County Council that have been received in excess of the contractual charges and are awaiting refund. The TUPE Bed Fees relate to income from Derbyshire County Council that is invoiced a month in advance. The Others are sundry amounts relating to fees and grants that's are either refundable or not yet spent.

**17 Deferred Government Grants**

	<b>Social housing grant</b> <b>£'000</b>	<b>Total</b> <b>£'000</b>
At 1 April 2023	703	703
Received in the year	-	-
Released to income in the year	(9)	(9)
Disposed in the year	(181)	(181)
At 31 March 2024	513	513

	<b>Opening balance as at 1 April 2023</b>	<b>Additional Commitment s made during the year</b>	<b>Provisions reversed during the year</b>	<b>Closing balance as at 31 March 2024</b>
--	---	---	--	--

**18 Provision for Liabilities**

Leave Pay	78	-	(50)	28
	78	-	(50)	28

The leave pay provision represents holiday balances accrued as a result of services rendered in the current period and which employees are entitled to carry forward. The provision is measured as the salary cost payable for the period of absence.

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL**  
**STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

	Balance at 1 April 2023 £000	Outgoing Resources £000	Transfers £000	Balance at 31 March 2024 £000
<b>19 Restricted Funds</b>				
Property fund - NHS	635	(7)	(299)	329
SEIF Capital Grant	96	(2)	-	94
	731	(9)	(299)	423

The Property fund - NHS relates to 5 properties transferred from the NHS to the charity in March 1999 and represents the net book value of these properties. The properties must be used for the provision of residential and nursing care support and accommodation to the local public. The charge each year is the depreciation charged on the properties. An adjustment was made in the year for historical depreciation previously allocated to the unrestricted reserves.

The SEIF Capital fund relates to a single property and represents the net book value of improvement works carried out to the property in 2011 funded by the Social Enterprise Investment Fund administered by the then Department of Health. The property must be used for ongoing care. The charge each year is the depreciation charged on the improvement works.

	Balance at 1 April 2023 £000	Incoming Resources £000	Transfers £000	Balance at 31 March 2024 £000
<b>20 Unrestricted Funds</b>				
Retained Surpluses	13,304	(130)	299	13,473
	13,304	(130)	299	13,473

**21 Analysis of Net Assets between Funds**

	Tangible Fixed Assets £000	Net Current Assets £000	Total £000
Restricted Funds	423	-	423
Unrestricted Funds	8,024	5,449	13,473
	8,447	5,449	13,896

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL**  
**STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

**22 Contingent Liabilities**

---

At 31 March 1999, freehold properties worth a total of £1,432,250 were transferred by the Secretary of State for Health to the charity. This value has been reflected as a donation in these financial statements. If following transfer, the use of any of these properties ceases to be the provision of residential and nursing care support and accommodation to the local public or the charity decides to sell the property, then the charity would be liable to pay back to the Secretary of State for Health an amount equal to the value at which the transfer at 31 March 1999 was made. The Secretary of State for Health has first option to purchase these properties.

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>

**23 Related party transactions**

---

During the year emh Care and Support had the following intercompany recharge transactions with non-regulated entities within the emh group.

Sales to:

emh Housing & Regeneration Ltd	645	457
--------------------------------	-----	-----

Sales to emh Housing & Regeneration are management charges for care and support services. These charges are made at cost.

Purchases from:

East Midlands Housing Group Limited	1,282	1,167
emh Housing & Regeneration Limited	84	84
Sharpes Gardening Services Limited	80	-

Purchases from East Midlands Housing Group are management charges for centrally supplied services (including Finance, ICT, HR). These charges are made at cost plus an appropriate margin. Purchases from emh Housing & Regeneration are management charges for housing services and day-care services. These charges are made at an arm's length commercial rate. Purchases from Sharpes Garden Services are provision of gardening services and contract management services, these charges are made at an arm's length commercial rate.

At the end of the year emh Care and Support had the following intercompany balances with non-regulated entities within the emh group.

Debtors

emh Housing & Regeneration Ltd	226	98
--------------------------------	-----	----

Creditors

East Midlands Housing Group Limited	58	49
-------------------------------------	----	----

**EMH CARE AND SUPPORT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

**24 Ultimate Control**

---

Ultimate control of the charity lies with the trustees and with East Midlands Housing Group who are responsible for the charity's affairs. The consolidated financial statements of East Midlands Housing Group are available at [www.emhgroup.org.uk](http://www.emhgroup.org.uk)

East Midlands Housing Group is a Registered Provider under the Co-operative and Community Benefit Society Act 2014 and is non-charitable. It is registered with the Financial Conduct Authority in England, with registration number IP030476 and is the parent company of emh Group.

emh Group started its life as a traditional housing association in 1946 and has since established itself as one of the leading providers of affordable housing in the East Midlands region. The Group manages over 21,000 properties across 49 different local authorities and provides over 11,000 hours of care and support to vulnerable and disabled people each week.

East Midlands Housing Group is the only member of the charity and exercises control through the power to appoint or remove trustees.

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
<b>25 Notes to the Cash Flow Statement</b>		
<b>Reconciliation of net income / (expenditure) to net cash flow from operating activities</b>		
<b>Net income for reporting period (as per the statement of financial activities)</b>	(139)	(1,475)
<b>Adjustments for :</b>		
Depreciation charges	306	337
(Gain) on disposal of assets	(659)	(136)
Interest Receivable	(255)	(2)
Interest Payable	29	17
Deferred government grants	(9)	(9)
Pensions costs less contributions payable	(44)	(28)
Grant abated	(181)	-
Restricted reserves disposed	(373)	-
Decrease in debtors	(224)	532
Increase in creditors	330	128
Decrease in provisions	(50)	(35)
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(1,269)</b>	<b>(671)</b>