

emh Care & Support Limited

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2017



TUESDAY



A23

19/09/2017

#196

COMPANIES HOUSE

EMH CARE & SUPPORT LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

Contents	Page
Legal and Administrative Information	2
Strategic Report	3 – 12
Statement of Trustee's Responsibilities in respect of the Trustee's Report and the Financial Statements	13
Report of the Auditors to the emh Care & Support Limited	14 – 15
Statement of Financial Activities	16
Balance Sheet	17
Cash Flow Statement	18
Notes to the Financial Statements	19 – 33

EMH CARE & SUPPORT LIMITED
LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 MARCH 2017

TRUSTEES

Marianne Skelcher – Chair

Heather Fawbert

Jim Holden

Vandna Gohil

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

Jo Tilley

Memorial House

Whitwick Business Park

Stenson Road

Coalville

Leicestershire

LE67 4JP

EMH Care & Support Limited is a company limited by guarantee (Registered Number 2488821) and also a registered charity (Registered Number 1001704).

EMH CARE & SUPPORT LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2017

The Trustees, who were also the directors, submit their annual report and audited financial statements for the year ended 31 March 2017.

Structure, Governance & Management

Background

emh Care & Support is a company limited by guarantee and a registered charity. The Trustees have paid due regard to the Charity Commission guidance on public benefit reporting in deciding what activities the charity has undertaken this year. The company was incorporated on 4th April 1990 and is limited by guarantee and has charitable status. Its principal 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

Enable Care & Home Support Limited was set up in 1990 and ran as an independent organisation. In 2003, Enable Housing Association Limited was formed and became the sole member of the company. On 1st April 2013, Enable Housing Association became a wholly owned subsidiary of emh group and was seen by the Board of Management as the ultimate parent company of the organisation.

On 1st October 2016, Enable Care & Home Support took over the business activities & assets and liabilities of Enable Housing Association to form one legal entity. It subsequently rebranded and changed its name to emh Care & Support.

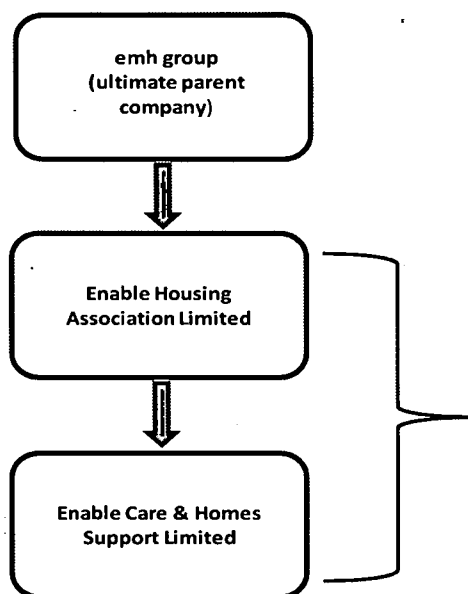
emh Care & Support is a wholly owned subsidiary of emh group. The consolidated accounts for emh group are available on its website www.emhgroup.org.uk.

EMH CARE & SUPPORT LIMITED
STRATEGIC REPORT
 FOR THE YEAR ENDED 31 MARCH 2017

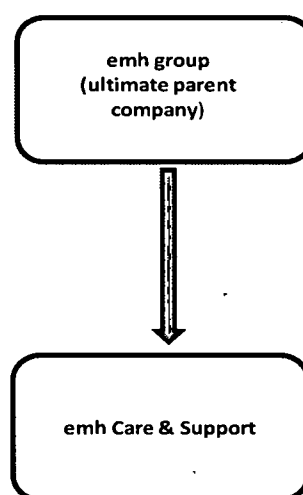
Structure, Governance & Management

Trading History (continued)

STRUCTURE
1st April 2013 - 30th Sept 2016



STRUCTURE
From 1st October 2016



Committees and Control

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
Janet Beaumont*	50%
Margaret Bodell-Stagg*	100%
Heather Fawbert	100%
John Halstead*	100%
Mohammed S.Jeewa*	100%
Marianne Skelcher	75%
Jim Holden	100%
Vandna Gohil**	100%

* Retired September 2016

** Appointed September 2016

EMH CARE & SUPPORT LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2017

Structure, Governance & Management

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 where these will facilitate the undertaking of their role.

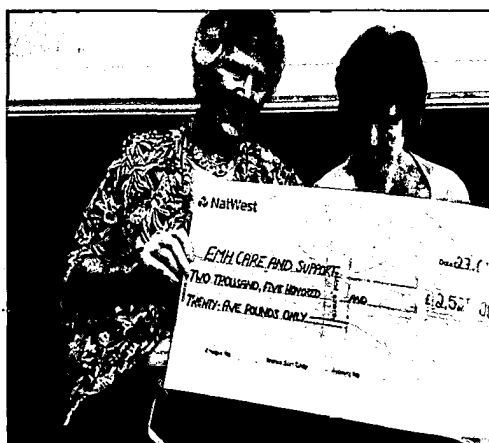
The trustees of the company at the year end are detailed on page 2 of these financial statements. The trustees are also the directors of the company for the purposes of company law. In accordance with the Charities SORP (FRS 102) we disclose all payments made to trustees (no trustees are paid) and expenses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

Stakeholder Engagement

Customer engagement also plays a vital role in shaping the future of the organisation. We offer a number of ways for our customers and their representatives to be involved in helping us achieve our mission including our Service User Forum and Carer's Forum.

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 that any other contractual relationship with a related party. There were no such relationships at the year end (2016: none).



Corporate Mission and Aims

The organisation strives to **“provide housing and care to improve opportunities for people”**. This is underpinned by our corporate values:-

Integrity	We are an independent, profit-for-purpose organisation working to the highest ethical standards.
Diversity	We will promote equality and fair treatment for all and treat people with decency and respect.
Openness	We will be open about our work and share information with our stakeholders.
Accountability	We will be accountable to the communities we work with and empower customers to meaningfully influence our priorities.
Clarity	We will be consistently clear about our vision, values and strategy.
Excellence	We will aspire to be the best among our peers, particularly in the quality of customer services and standards of performance.

EMH CARE & SUPPORT LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2017

Charitable Activities

Our work predominantly centres around 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 over 250 units 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 and 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.

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 150 service users, providing around 7,000 hours of care every week.

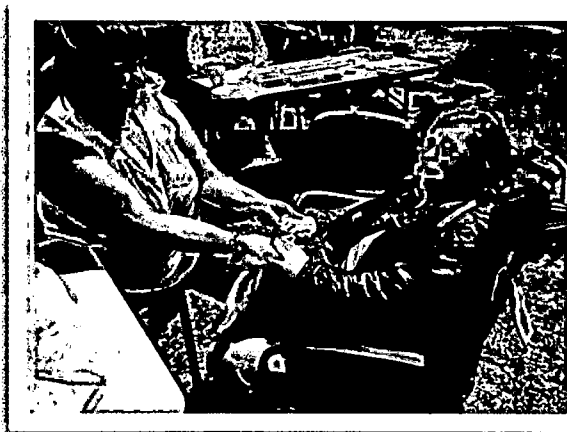
The care and support we provide is varied and can include help with personal care, domestic tasks, taking part in hobbies and other social activities, meeting friends and family and going out into the community. Our services are regulated by the Care Quality Commission who ensure that we deliver a high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

Nursing and Care Homes

We own and manage 3 moderately sized nursing homes providing residential accommodation and 24/7 care to our customers. Care is provided by our 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.

We currently manage 7 care homes providing residential accommodation and 24/7 care to our customers. Following a review of our customers needs in these homes, we have been working with the local authority and commissioning body to convert these to supported living schemes which will give our residents greater independence, a secure tenancy and great financial control. We hope to conclude this during 2017-18.

Day Services and Social Enterprise



We manage 5 day centres which are open to both our residents and private customers. We offer a varied programme of educational, vocational, social and leisure activities for adults with learning and/or physical disabilities or mental health issues. We aim to improve life skills, knowledge, social interaction, independence and fulfilment.

We also aim to improve our customer's sense of purpose and offer opportunities for people to work in the community and to learn woodworking, baking and food preparation skills, with any funds generated from their sale being reinvested back into the day centres.

EMH CARE & SUPPORT LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2017

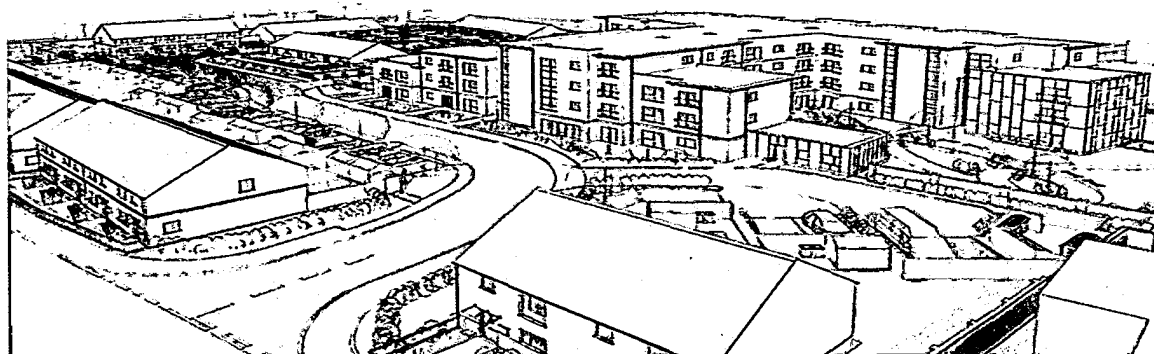
Charitable Activities (continued)

Outreach

We provide care and support to adults with learning and/or physical disabilities or mental health issues who live in their own or the family home. Each customer has an individual package of care; usually a few hours each week; for help with domestic duties, outings and access to the community.

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.



Waterside Court Extra-Care Scheme, due to complete Autumn 2017

Future Plans

The organisation's business plan sets out our corporate aims and the outcomes that we are working towards over the next 5 years. These include:-

- ✓ To strengthen and embed service user and carer participation with the organisation and ensure that forums are adequately resourced;
- ✓ To continue to invest in leadership development for current and potential leaders;
- ✓ To develop plans for the regeneration of key schemes; reshaping them to meet current needs and quality standards;
- ✓ To undertake a review of our Supported Housing Strategy in order to determine which client groups we are best placed to serve;
- ✓ To ensure our services create life opportunities for our clients with improved outcomes through safe, compliant services;
- ✓ To actively lobby Members of Parliament and the Government to bring about changes in social policy that support our service users;
- ✓ To develop an approach to resource planning to enhance value for money and work towards addressing staff shortages;
- ✓ To maintain a strong and committed workforce with a good employment offer, career opportunities and succession planning;

EMH CARE & SUPPORT LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2017

Future Plans (continued)

- ✓ To maintain existing and develop new strategic relationships to meet business objectives and explore new opportunities;
- ✓ To embed digital ways of working across all areas of the business.

Achievements and performance

During the year we have made significant progress against our objectives and are proud of our many achievements. We collapsed the 2 legal entities into one charitable organisation and rebranded as emh care & support showing the group's commitment to delivering services to a broad range of clients across the region.

Along side this we carried out a major re-organisation of our management structure, welcoming 2 new Heads of Service and a new approach to delivering and managing the diverse services to our customers. During this turbulent time, the services to our end users were relatively unaffected which is testament to the commitment and passion of our front-line staff.

Awards and National Events

We were short-listed for the Central TPAS Awards 2017 for "Excellence in Engagements in Supported Housing". This recognised the work that we have achieved to provide opportunities for the individuals we support to take part in social events including fishing, walking for health and singing in our "Inspire Choir".

During the year we were re-inspected by Investors in People against their new, improved standards which revolve around 3 key enablers; Leading, Supporting and Improving. We were delighted to be awarded a rating of "Silver" and the report recognised the significant progress that we have made in a number of areas. The report in particular highlighted our clear vision and well managed change.

Our Activities Organiser has been selected as a finalist in the Sporting Chance category at the National LD & Autism Awards. The award recognises individuals who have worked creatively to develop sporting activities in which people with learning disabilities and/or autism can choose to participate and enjoy.



We supported the National Learning Disability Week with a range of events at our Day Services including adapted karate. We also partnered with a local leisure centre to run a programme of accessible sports which was co-ordinated by Paralympic Gold Medallist Swimmer Martin Mansell.

Developing our Services

Angela Rippon OBE officially opened our flag-ship Extra-Care scheme; Oak Court in Blaby this year. We are also well progressed with the development of our third Extra-Care scheme; Waterside Court which is due to complete later this year. The scheme in Loughborough consists of 62, 1 and 2 bedroom apartments for people over the age of 55.

EMH CARE & SUPPORT LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2017

Achievements and performance

Developing our Services (continued)

We are working with Derbyshire Adult Education to develop activity based learning at Derbyshire Eco Centre in Wirksworth. From September this year we will be offering courses in textiles, arts and crafts using recycled and natural materials.

We organised a series of walks with the National Walking Group for Health providing disabled people with the opportunity to get walking and enjoy fresh air and the countryside. In a recent Walking for Health publication, emh were recognised as a key driver for organising accessible walks across the Derbyshire Dales.

Regulation

Over the last year our regulator, the Care Quality Commission (CQC), has inspected all of our services with the exception of our Extra-Care scheme. 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.

All of our Nursing and Registered Care schemes were rated as Good. Our Supported Living service was rated as Requires Improvement and whilst there were no significant issues raised, we are already working through an action plan with the aim of achieving Good when the service is re-assessed.

Staff Recognition

Our biggest asset is our staff and we recognise outstanding achievement through our Above and Beyond the Call of Duty awards. We recently held a celebration event where all nominees received a certificate from the Group Chief Executive, Chan Kataria OBE.

The overall winner was a member of staff who completed a number of sporting qualifications so that she can support disabled people to take part in adapted sports with an ambition that we will be competing in the next Paralympics. The runner up was a member of staff who provided end of life care to one of our Nursing Home residents on New Year's Eve whilst ensuring that the other resident's celebrations were unaffected.

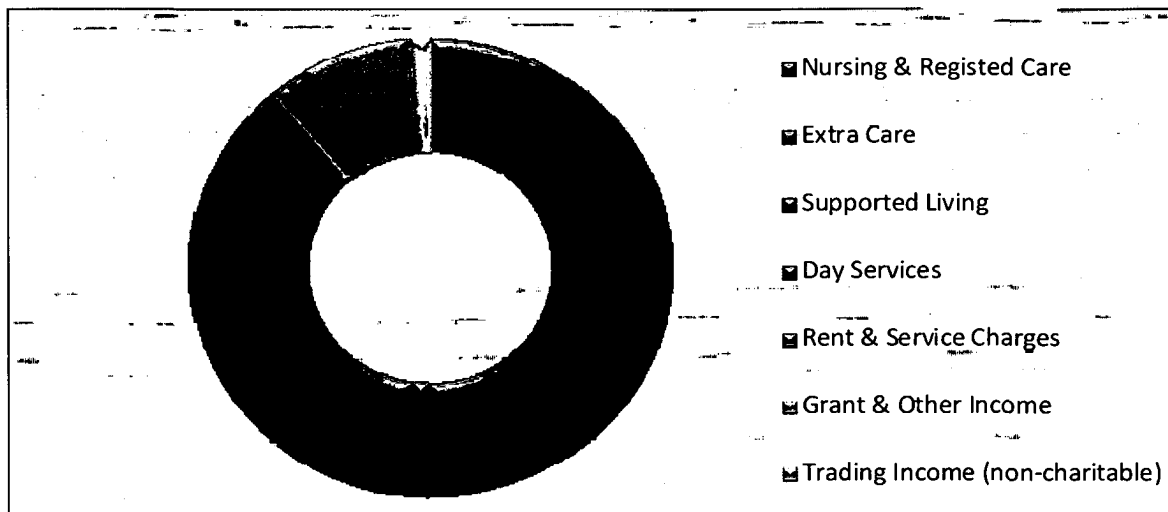


EMH CARE & SUPPORT LIMITED
STRATEGIC REPORT
 FOR THE YEAR ENDED 31 MARCH 2017

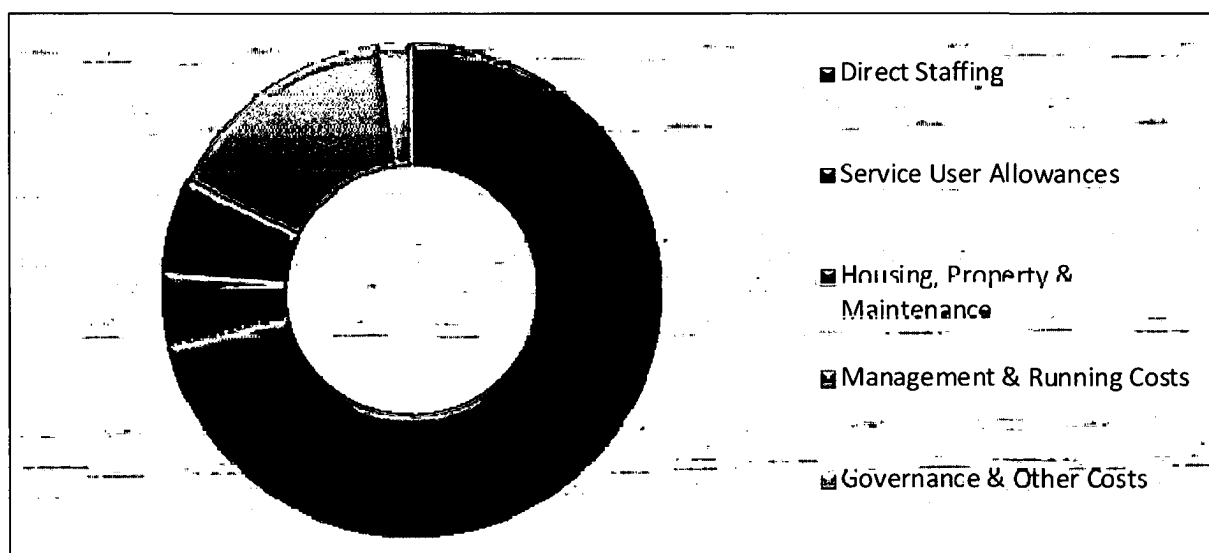
Financial Review & Reserves Policy

The accounts set out on pages 16 to 33 are for emh Care & Support Limited. This includes activity previously reported as Enable Care & Home Support for the full financial year; combined with the activities previously reported as Enable Housing Association for the 6 month period from 1st October 2016 to year end.

The company generated £15.3m of income during the year; 99% of which from its charitable activities. A small amount of income was generated from non-charitable activities including the sale of some obsolete assets, gift aid from the parent company and income from a small transport scheme administered for our residents in registered care. The chart below shows the activities that generated the income.



Almost all of our income is spent on delivering the services and maintaining our properties. Our biggest area of expenditure is 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. We aim to make a small surplus each year to reinvest back into capital maintenance and service improvement initiatives and achieved a surplus of £101k in the year (2016: £363k deficit).



EMH CARE & SUPPORT LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2017

Financial Review & Reserves Policy (continued)

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 one month's committed expenditure to cover payments to staff, service users and major contracts.

The trustees also accept that there is always an inherent risk that the company 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.

Overall the following amounts are proposed:-

	£000
Monthly working capital	1,500
Protection against loss of contracts	150
Development and funding contingency	150
	<u>1,800</u>

The amalgamation of the 2 legal entities during the year strengthened the financial position and at the end of the financial year had fixed assets of £9.3m (2016: £4.8m), net current assets of £4.2m (2016: £2.7m) and total funds of £11.4m (2016: £6.4m) indicating that the target has been achieved.

Risk Management and Going Concern

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 & Support environment is challenging and uncertain with 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.

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 Disabled People

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

EMH CARE & SUPPORT LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2017

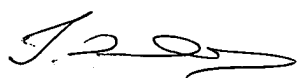
Grants and Donations

During the year the company made no charitable donations (2016: £nil).

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

Approval

The trustees confirm that they are approving the strategic report in their capacity as the charity's trustees and it is signed on their behalf by:-



JOANNE TILLEY

Secretary

12 September 2017

EMH CARE & SUPPORT LIMITED
STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT AND
THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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

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

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of expenditure over income 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

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

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 SKELCHER

Chair

12 September 2017

EMH CARE & SUPPORT LIMITED
INDEPENDENT AUDITOR'S REPORT TO ENABLE CARE & HOME SUPPORT LIMITED
FOR THE YEAR ENDED 31 MARCH 2017

We have audited the financial statements of Enable Care and Home Support Limited for the year ended 31 March 2017 set out on pages 16 to 33. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees Responsibilities set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

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 2017 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 Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information in the Trustees' Annual Report, which constitutes the Report of the Trustees, for the financial year for which the financial statements are prepared is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

EMH CARE & SUPPORT LIMITED
INDEPENDENT AUDITOR'S REPORT TO ENABLE CARE & HOME SUPPORT LIMITED

FOR THE YEAR ENDED 31 MARCH 2017

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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
- 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Sarah Brown (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill,
Snow Hill Queensway
Birmingham
B4 6GH

15 September 2017

EMH CARE & SUPPORT LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 Unrestricted Funds £000	2017 Restricted Funds £000	2017 Total Funds £000	2016 Total Funds £000
Income from :					
Income from Charitable Activities	3	15,058	-	15,058	13,501
Other Trading Activities	4	-	-	-	11
Gift Aid Received		184	-	184	-
Other income	5	17	-	17	4
Total Incoming Resources		15,259	-	15,259	13,516
Resources Expended					
Expenditure on :					
Charitable activities:	3	14,808	21	14,829	13,594
Other Expenditure	6	329	-	329	105
Total Resources Expended		15,137	21	15,158	13,699
Remeasurement of the net defined benefit liability		-	-	-	(180)
Net movement in funds		122	(21)	101	(363)
Funds brought forward at 1 April 2016		5,357	1,000	6,357	6,720
Merger Reserve	18	4,991		4,991	
Funds carried forward at 31 March 2017		10,470	979	11,449	6,357

The results shown above are all derived from continuing activities.

EMH CARE & SUPPORT LIMITED
BALANCE SHEET
AS AT 31 MARCH 2017

	Note	2017 £000	2016 £000
Fixed assets			
Housing properties	12	8,116	4,225
Other fixed assets	12	1,147	584
		9,263	4,809
Current assets			
Trade and other debtors	13	2,237	992
Cash and cash equivalents		3,836	2,380
		6,073	3,372
Creditors: amounts falling due within one year	14	(1,824)	(651)
Net current assets		4,249	2,721
Total assets less current liabilities		13,512	7,530
Creditors: amounts falling due after more than one year	15	(1,635)	(473)
Provision for liabilities			
Other provisions	17	(428)	(700)
Net assets		11,449	6,357
Funds			
Unrestricted	18	10,470	5,357
Restricted	19	979	1,000
		11,449	6,357

The financial statements on pages 16 to 33 were approved by the Board on 12 September 2017 and were signed on its behalf by:



M Skelcher
Chair



J Tilley
Secretary

EMH CARE & SUPPORT LIMITED
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 £000	2016 £000
Net cash (outflow)/inflow from operating activities	23	(608)	(140)
Cash Flows from Investing Activities			
Interest received		3	5
Gift aid received		184	-
Purchase of tangible assets		(363)	(81)
Receipts from sale of assets		198	-
Cash provided by (used by) Investing Activities		22	(76)
Cash Flows from Financing Activities			
Interest paid		(19)	-
Cash provided by (used by) Investing Activities		(19)	-
Reconciliation of net cash flow to movement in net funds			
Increase/(decrease) in cash in the period		(605)	(216)
Transfers on Merger of Enable Housing Association		2,061	
Cash at 1 April		2,380	2,596
Cash at 31 March		3,836	2,380
	At 1 April 2016 £000	Cash Flows £000	At 31 March 2017 £000
Analysis of Cash and Cash equivalents			
Cash at bank and in hand	2,380	1,456	3,836
Total Cash and Cash equivalents	2,380	1,456	3,836

EMH CARE & SUPPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1 Constitution

emh Care and Support Limited is a company limited by guarantee. At 31 March 2017, 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.

2 Principal Accounting Policies

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2015), applicable accounting standards and the Companies Act 2006. 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. In these financial statements, the charity is considered to be a qualifying entity and has applied the exemptions available under FRS 102 in respect of the following disclosures:

Key Management Personnel compensation; and
Related Parties note.

Going Concern

The charity's business activities, together with the factors likely to affect its future development and position, are set out in the Achievement and Performance section of the Strategic Report. The charity is expected to continue to generate positive cash flows on its own account for the foreseeable future.

The Trustees, having assessed the responses of the Directors of the Company's parent East Midlands Housing Group Limited to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the East Midlands Housing Group to continue as a going concern or its ability to continue with the current banking arrangements.

On the basis of their assessment of the charity's financial position and of the enquiries made of the Directors of East Midlands Housing Group Limited, the charity's Trustees have a reasonable expectation that the charity will be able to *continue in operational existence for the foreseeable future*. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

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.

EMH CARE & SUPPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

2 Principal Accounting Policies (continued)

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.

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:-

	years
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 company 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.

EMH CARE & SUPPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

2 Principal Accounting Policies (continued)

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%-33%
Housing accommodation furniture and equipment	33%
Freehold office premises	2%

Social housing grant

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 Company 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 & SUPPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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) provides benefits based on final pensionable pay. The assets of the scheme are held separately from the Charity. The Charity is unable to obtain sufficient information to use defined benefit accounting for this multi-employer plan, and accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period. To the extent that payment plans relate to funding a deficit, the contributions are recognised as a liability payable arising from the agreement with the multi-employer plan and results in a charge to the profit and loss account. Where these payments are not expected to be settled within 12 months the liability is measured at the present value of contributions payable.

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 NHS bodies 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 NHS Body 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 company 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 & SUPPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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. This includes the merger reserve resulting from the merger of Enable Housing Association Ltd.

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.

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 Company 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.

Financial Instruments

The trust 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 Estimates and Judgements

The key estimates and judgments used in preparing these financial statements are; the estimated value of property, the recoverability of income, impairment of property values, pension liability and the categorisation of assets.

EMH CARE & SUPPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	£000	£000
3 Charitable Activities		
<u>Income from Charitable Activities</u>		
Income support & registered care funding	8,019	7,948
Supported living & day care contracts	5,906	5,372
Rental income & service charges	1,087	181
Amortised government grant	4	-
Other Charitable Income	42	-
Total Income from Charitable Activities	15,058	13,501
<u>Expenditure on Charitable Activities</u>		
Care staff costs, including training	435	10,826
Service user allowances	(28)	722
Housing costs	(37)	593
Maintenance costs	(83)	221
Salaries & management costs	(1,442)	1,710
Registration fees	(3)	15
Grants, donations and promotions	5	-
Professional fees	(50)	62
Depreciation and amortisation	2	107
Bad Debts	(25)	25
Other costs	(2)	527
Total Expenditure on Charitable Activities	1,228	14,808
<u>Restricted Funds</u>		
Depreciation	21	14
4 Other Trading Activities		
<u>Trading Income</u>		
Other Trading Income	-	11
	-	11
5 Other Income		
Fixed asset disposal proceeds	132	-
Fixed asset cost of disposals	(221)	-
Loss on disposal of fixed assets	(89)	-
Interest Received	3	-
Mobility Scheme	49	-
Other Income	54	4
Total Other Income	17	4

EMH CARE & SUPPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	£000	£000
6 Other Expenditure		
Interest Payable	35	3
Mobility Scheme	100	-
Governance;		
Salaries	72	82
Professional Fees	1	20
Other	121	-
	194	102
Total Other Expenditure	329	105

7 Net Incoming Resources

Surplus of income over expenditure is arrived at after charging:

Depreciation	145	123
Auditors remuneration	29	17

8 Staff numbers and costs

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

	2017	2016
	Number	Number
Care and support staff	563	530
Office Staff	16	49
Trustees	5	7
	584	586

	2017	2016
	£000	£000
Staff costs for the above persons:		
Wages and salaries	9,528	10,501
Social security costs	744	761
Pension costs	344	384
Termination Benefits	165	47
	10,781	11,693

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

Details of Group Board Members pay is disclosed within the consolidated accounts of the parent company, East Midlands Housing Group Limited. The consolidated financial statements of East Midlands Housing Group are available at www.emhgroup.org.

EMH CARE & SUPPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

9 Employee Benefits

The Pensions Trust - Social Housing Pension Scheme and Growth Plan

The company participates 2 multi-employer schemes which provide benefits to some 500 non-associated employers; the Social Housing Pension Scheme and the Growth Plan. The schemes are defined benefit schemes in the UK.

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

The schemes are subject to funding legislation 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 schemes are classified as a "last-man standing arrangement". Therefore the company 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 basis on withdrawal of the scheme.

A full actuarial valuation for the schemes were carried out with an effective date of 30 September 2014. These actuarial valuations were certified on 23 November 2015 and showed assets of £3,123m, liabilities of £4,446m and a deficit of £1,323m for the Social Housing Pension Scheme and assets of £793m, liabilities of £970m and a deficit of £177m for the Growth Plan. To eliminate the funding shortfall, the trustees and the participating employers have agreed additional contributions will be paid, in combination from all employers, to the scheme as follows:

Deficit contributions

<i>Tier 1</i>	£40.6m per annum
From 1 April 2016 to 30 September 2020	(payable monthly, increasing by 4.7% each year on 1 April)
<i>Tier 2</i>	£28.6m per annum
From 1 April 2016 to 30 September 2023	(payable monthly, increasing by 4.7% each year on 1 April)
<i>Tier 3</i>	£32.7m per annum
From 1 April 2016 to 30 September 2026	(payable monthly, increasing by 3.0% each year on 1 April)
<i>Tier 4</i>	£31.7m per annum
From 1 April 2016 to 30 September 2026	(payable monthly, increasing by 3.0% each year on 1 April)

Growth Plan

Deficit contributions

<i>Tier 1</i>	£13.9m per annum
From 1 April 2016 to 30 September 2023	(payable monthly, increasing by 3.0% each year on 1 April)
<i>Tier 2</i>	£12.9m per annum
From 1 April 2016 to 30 September 2025	(payable monthly, increasing by 3.0% each year on 1 April)
<i>Tier 3</i>	£54.6k per annum
From 1 April 2016 to 30 September 2028	(payable monthly, increasing by 3.0% each year on 1 April)

Note that the schemes' previous valuations were carried out with an effective date of 30 September 2011: these valuations were certified in 17 December 2012 and showed assets of £2,062m, liabilities of £3,097m and a deficit of £1,035m for the Social Housing Pension Scheme and assets of £780m, liabilities of £928m and a deficit of £148m for the Growth Plan. To eliminate this funding shortfall, payments consisted of Tier 1, 2 & 3 deficit contributions.

EMH CARE & SUPPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

9 Employee Benefits - continued

	Social Housing Pension Scheme		Growth Plan	
	2017	2016	2017	2016
	£'000	£'000	£	£
<u>Present Value of provision</u>				
Present value of provision at period end	774	525	8	9
<u>Reconciliation of opening and closing provisions</u>				
Provision at start of period	525	384	9	10
Liability transferred from Enable Housing Association during the period	290	-	-	-
Unwinding of discount factor (interest expense)	16	7	-	-
Deficit contribution paid	(79)	(43)	(1)	(1)
Remeasurement - impact of any change in assumptions	22	(3)	-	-
Remeasurement - amendments to the contribution schedule	-	180	-	-
Provision at the end of period	774	525	8	9

	Social Housing Pension Scheme		Growth Plan	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
<u>Profit and loss impact</u>				
Interest expense	16	7	-	-
Remeasurement - impact of any change in assumptions	22	(3)	-	-
Remeasurement - amendments to the contribution schedule	-	180	-	-

Assumptions

Rate of discount per annum	1.33%	2.06%	1.32%	2.07%
----------------------------	-------	-------	-------	-------

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.

EMH CARE & SUPPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	£000	£000

10 Auditors Remuneration

Fees payable to the company's auditor for the audit of the annual accounts	29	17
--	----	----

11 Taxation

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

12 Fixed Assets

Housing Assets

	Assets in the Course of Construction £000	Housing properties for letting £000	Care & support properties £000	Total £000
Cost				
1 April 2016	2	1,388	4,335	5,725
Additions	26	-	-	26
Replacement of Components	-	86	30	116
Schemes completed in year	(122)	121	1	-
Disposals	-	(230)	(11)	(241)
Transfers	(13)	339	(326)	-
Transfers on Merger of Enable Housing Association	155	3,806	959	4,920
31 March 2017	48	5,510	4,988	10,546
Accumulated depreciation				
1 April 2016	-	323	1,177	1,500
Charge for year	-	36	59	95
Disposals	-	(29)	(10)	(39)
Transfers	-	52	(52)	-
Transfers on Merger of Enable Housing Association	-	756	118	874
31 March 2017	-	1,138	1,292	2,430
Net book value				
31 March 2017	48	4,372	3,696	8,116
31 March 2016	2	1,065	3,158	4,225

EMH CARE & SUPPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

12 Fixed Assets - Continued

<u>Other Fixed Assets</u>			
	Freehold Properties £000	Vehicles & Equipment £000	Total £000
Cost			
1 April 2016	638	616	1,254
Additions	-	221	221
Disposals	-	(403)	(403)
Transfers on Merger of Enable Housing Association	570	143	713
31 March 2017	1,208	577	1,785
Accumulated depreciation			
1 April 2016	141	529	670
Charge for year	16	34	50
Disposals	-	(318)	(318)
Transfers on Merger of Enable Housing Association	124	112	236
31 March 2017	281	357	638
Net book value			
31 March 2017	927	220	1,147
31 March 2016	497	87	584
13 Debtors			
Current tenant arrears		134	-
Former tenant arrears		17	-
Less provision for bad and doubtful debts		(17)	-
Trade debtors		1,328	608
Less provision for trade debtors		(128)	-
Prepayments and accrued income		355	105
Amounts due from Group Companies		548	279
		2,237	992

EMH CARE & SUPPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	£000	£000
14 Creditors: amounts falling due within one year		
Trade creditors	334	145
Rent received in advance	26	-
Accruals and deferred income*	927	257
Taxation and social security	197	185
Other creditors	26	3
Pension deficit contributions**	104	61
Amounts due to Group Companies	210	-
	1,824	651

*The Collective Grievance of £304k was declared in Accruals and deferred income in accounts ended 31/03/2016 and has been restated as Provisions for accounts ended 31/03/2017 including restating the prior year.

** The SHPS pension deficit contributions were declared in pension provisions in accounts ended 31/03/2016 and have been restated as Creditors for accounts ended 31/03/2017 including restating the prior year.

15 Creditors: amounts falling due after more than one year

Deferred government grants (see note 16)	957	-
Pension deficit contributions*	678	473
	1,635	473

* The SHPS pension deficit contributions were declared in pension provisions in accounts ended 31/03/2016 and have been restated as Creditors for accounts ended 31/03/2017 including restating the prior year.

16 Deferred Government Grants

	Social housing grant £'000	Other government grant £'000	Total £'000
At 1 April 2016	-	-	-
Released to income in the year	(6)	-	(6)
Transferred from Enable Housing Association	963	-	963
At 31 March 2017	957	-	957

EMH CARE & SUPPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

17 Provision for Liabilities

	Leave Pay	Transport Scheme	Collective Grievance	Total £000
Opening balance as at 1 April 2016	38	358	304	700
Additional Commitments made during the year	-	60	30	90
Provisions reversed during the year	(4)	-	-	(4)
Amounts paid during the year	-	(358)	-	(358)
Closing balance as at 31 March 2017	34	60	334	428

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.

The transport scheme provision relates to a scheme to provide transport for a number of its service users for over 20 years. Following a review of the scheme, the decision was taken to close it in 2016 and the scheme was closed during the year. Vehicles in the scheme have been sold and the proceeds, together with the residual cash balances are being distributed to the scheme members. An additional commitment has been made as the final balances in the scheme have been identified.

The Collective Grievance provision was reported in Creditors: amounts falling due within one year as an Accrual in accounts ended 31/03/2016 and the opening balance has been re-stated here as a provision. The provision relates to a collective grievance raised by the Trade Unions challenging the basis of our holiday pay. Negotiations are on-going, however our legal advisors have informed us that any back-dated payments would be time-limited to two years from the date of settlement.

	Balance at 1 April 2016 £000	Incoming Resources £000	Outgoing Resources £000	Balance at 31 March 2017 £000
18 Unrestricted Funds				
Retained Surpluses	5,357	122	-	5,479
Merger Reserve	-	4,991	-	4,991
	5,357	5,113	-	10,470

The merger reserve represents the historical retained surpluses from Enable Housing Association Ltd that were transferred to EMH Care & Support Ltd on the merger of the two organisations during the year.

EMH CARE & SUPPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

19 Restricted Funds

	Balance at 1 April 2016 £000	Incoming Resources £000	Outgoing Resources £000	Balance at 31 March 2017 £000
Property fund - NHS	887	-	(19)	868
SEIF Capital Grant	113	-	(2)	111
	1,000	-	(21)	979

20 Analysis of Net Assets between Funds

	Tangible Fixed Assets £000	Net Current Assets £000	Total £000
Restricted Funds	979	-	979
Unrestricted Funds	8,284	2,186	10,470
	9,263	2,186	11,449

21 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 company. 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 company decides to sell the property, then the company 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.

22 Ultimate Control

Ultimate control of the charity lies with East Midlands Housing Group who is responsible for the charity's affairs. The consolidated financial statements of East Midlands Housing Group are available at www.emhgroup.org.uk

EMH CARE & SUPPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	£000	£000
23 Notes to the Cash Flow Statement		
Reconciliation of net income / (expenditure) to net cash flow from operating activities		
Net income / (expenditure) for reporting period (as per the statement of financial activities)	101	(363)
Adjustments for :		
Depreciation charges	145	123
(Gain)/loss on disposal of assets	89	1
Interest Receivable	(3)	-
Interest Payable	35	-
Gift Aid Receivable	(184)	-
Deferred government grants	(6)	-
Pensions costs less contributions payable	(58)	-
(Increase)/decrease in debtors	(661)	(478)
Increase/(decrease) in creditors	(99)	577
Increase/(decrease) in provisions	33	-
Net cash inflow from operating activities	(608)	(140)