

Company Registration No: 07211819 (England & Wales)

Charity Registration No: 1135353 (England & Wales)

Ambient Support Limited  
Annual Report & Consolidated Financial Statements  
For the year ended 31 March 2022

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**For the year ended 31 March 2022**

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## Ambient Support Limited

### Charity and Trustee Information

For the year ended 31 March 2022

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<b>Status</b>	Ambient Support Limited ("Ambient") is a Charity and Company Limited by Guarantee. It has one wholly owned trading subsidiary: Amber Housing Limited ("Amber Housing"), a Registered Society (Reference 30052R) under the Co-operative and Community Benefit Societies Act 2014.	
<b>Governing document</b>	The Charity is governed under its Articles of Association last updated on 24 June 2020.	
<b>Company number</b>	07211819	
<b>Charity number</b>	1135353	
<b>Registered office and operational address</b>	Unit 9, Bourne Court Unity Trading Estate Southend Road Woodford Green Essex IG8 8HD	
<b>Trustees</b>	David Brindle Margaret Lally Scott Haldane Alan Bates Valerie Bennett Belinda Coker Cheryl Crooks Nigel Fletcher Richard Jones Jeanette Mitchell Iain O'Neil Karen Proctor Lorraine Reynolds Richard Smallwood Dyllon Parkinson Homiyar Wykes	Chair Deputy Chair Treasurer   (Resigned 3 March 2022) (Resigned 29 September 2022)   (Resigned 29 September 2022)     Co-optee (Appointed 29 September 2022)
<b>Senior Executive Officers:</b>		
<b>Chief Executive Officer and Secretary</b>	Mark Milton	
<b>Director of Finance</b>	Roy Quiddington	
<b>Director of Operations and Business Development</b>	Tom Harrison	
<b>Director of People &amp; Culture</b>	Sarah Daniel	

## Ambient Support Limited

### Charity and Trustee Information (continued)

For the year ended 31 March 2022

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<b>Director of Sales, Marketing &amp; Communications</b>	Davina Sellick	
<b>Chief Information Officer</b>	Lee Hodgson	
<b>Chief Executive and Secretary of Amber Housing Limited</b>	Emelda Livette	(Retired 29 April 2022)
	Mark Milton	(30 April - 17 July 2022)
	Troy Henshall	(Appointed 18 July 2022)
<b>Bankers</b>	Barclays Bank PLC Level 28 1 Churchill Place London E14 5HP	
<b>Solicitors</b>	Trowers & Hamlins LLP 3 Bunhill Row London EC1Y 8YZ	
	Devonshires 30 Finsbury Circus London EC2M 7DT	
	Brachers LLP Somerfield House 59 London Road Maidstone ME16 8JH	
<b>Statutory Auditor</b>	RSM UK Audit LLP 25 Farringdon Street London EC4A 4AB	

## **Trustees' Report**

### **For the year ended 31 March 2022**

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#### **Introduction**

The Trustees of Ambient Limited are pleased to present their report and consolidated audited financial statements for the year ended 31 March 2022 for all entities that are part of the Group, which are also prepared to meet the requirements for a directors' and strategic report and accounts for Companies Act purposes.

The reference and administrative information set out on pages 2 and 3 form part of this report. The Trustees (who are also its Directors) included in this section of the report have acted in the role of a Trustee during the year and up to the date of signature, except when otherwise indicated. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Articles of Association, the Companies Act 2006, the Charities Act 2011, the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) second edition effective 1 January 2019.

#### **STRATEGIC REPORT**

##### **Achievements and performance**

Set against the backdrop of the continuing implications relating to the unprecedented global pandemic, and Brexit, this year has been hugely challenging for us and the social care sector in general (as well as many others), exacerbated towards the end of the year by the impact of the war in Ukraine, particularly on energy costs and inflation. Despite this, we have continued to respond professionally and competently, successfully deciphered the plethora of regularly updated and sometimes conflicting best practice, regulation, and general advice, and have continued to ensure sound infection control processes and PPE compliance across our services, to keep the vulnerable people we support, and our staff, safe. Likewise, we have ensured that despite some of the financial challenges, we have sought to do everything possible to keep the Charity on a solid financial footing, including obtaining and making good use of the Covid-related support grants that were available from Central Government and Local Authorities.

##### **Key performance indicators**

The type of service provided to each client currently forms the categories in the Statement of Financial Activities under which we report. The performance of the Charity is presented in a dashboard form, and reviewed quarterly by Trustees.

The Finance RAG rating considers performance vs budget, and occupancy looks at the occupancy rates vs those budgeted.

The Quality RAG rating is a hybrid measure looking at CQC compliance/ratings, the results of Local Authority Inspections, and the quality of works completed at schemes (e.g. repairs, decoration).

The Satisfaction RAG rating considers complaints, safeguarding alerts, and response times.

The Health and Safety RAG rating looks at fire safety, statutory compliance, Environmental Health Inspections, staff accidents, and service user accidents.

The HR RAG rating primarily considers staff turnover, sickness absence, and statutory training completion.

There are set measures for each item's rating which then determine the RAG traffic light status (green - outstanding/good down to red - poor/inadequate). The direction of the arrow within each RAG rating indicates how that RAG rating compares to the previous quarter (up, down, or the same).

The comparative tables for these RAG ratings at March 2021 and March 2022, for both Ambient Support and Amber Housing, are shown on the following page:

Trustees' Report (continued)

For the year ended 31 March 2022

2022 Ambient

Performance Dashboard		AMBIENT SUPPORT						Date: 31-Mar-22
Measure	Overall	Financial	Occupancy	Quality	Satisfaction	Health & Safety	HR	
RAG Status	→	→	→	→	→	→	→	

2021 Ambient

Performance Dashboard		AMBIENT SUPPORT						Date: 31-Mar-21
Measure	Overall	Financial	Occupancy	Quality	Satisfaction	Health & Safety	HR	
RAG Status	→	→	↓	→	→	→	→	

2022 Amber Housing

Performance Dashboard		AMBER HOUSING						Date: 31-Mar-22
Measure	Overall	Financial	Occupancy	Satisfaction	Health & Safety	HR		
RAG Status	→	→	→	→	↓	↓		

2021 Amber Housing

Performance Dashboard		AMBER HOUSING						Date: 31-Mar-21
Measure	Overall	Financial	Occupancy	Satisfaction	Health & Safety	HR		
RAG Status	→	→	→	↑	→	↑		

The gross contribution (per management accounts) is an example of a finance KPI reviewed across the Charity:

	2022	2021
<b>Gross contribution %</b>		
YTD Actual	13.60%	9.30%
YTD Budget	11.30%	11.10%
% Variance	2.30%	-1.80%

Some key achievements during the year were as follows:

- Dealing with the pandemic to ensure the wellbeing of the people that we support was protected and the financial impact on the organisation was minimised.
- Growth: despite the external environment, three new Learning Disability services have been started in Bromley, Wandsworth and Newham.
- Digital transformation of care/quality as well as corporate support services.
- Significant raising of our profile within the sector.
- Significant investment in leadership competencies, business development and quality assurance functions.
- Innovation in involvement and co-production.

**Trustees' Report (continued)**

**For the year ended 31 March 2022**

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**Case Study**

Person we support: X Male 39 years old.

Service: 24 hour continuing care and rehab mental health service in Penge, London.

Length in service: 9 years.

*History*

Diagnosed with Paranoid Schizophrenia and Asperger Syndrome. X had a history of being in high support settings and had never lived independently before coming to our Penge service. X has a history of poor financial management and debt and hoarding. X needed support with:

- Motivation, confidence and building relationships
- General personal care, wellbeing and managing medication
- Routine/structure/independent living skills
- Finances and budgeting

*Engagement*

Initially X was anxious, and withdrawn, refusing to speak. Staff made themselves available and showed X alternative ways that he could express himself. e.g. In writing/drawings if he preferred. This was then used as a tool to build trust/relationships, with staff writing in detail our person-centred approaches to support.

*Intervention*

The Recovery Star (an outcomes tool for supporting and measuring change when working with adults of working age who experience mental health problems), was used to engage and facilitate goal setting and measurement enabling us to monitor progress. SMART goals were set and incorporated in his care and support plans. X's main goal was to have his own flat.

*Support provided*

- X working with staff to build a weekly diary/giving structure/activities/tasks
- X supported to develop new friendships/local networks
- X working with staff to agree a debt/money management system
- X Choosing times/how he was comfortable to declutter his possessions
- X setting days and times he would like to be supported to shop, cook, or do his laundry
- X embarking on a self-medication programme including how/when he would take his medication
- Support to register/bid for housing

*Outcomes*

- X has moved into his own flat in October 2021 with a small package of support
- X has gained confidence/built and maintained relationships/new networks
- X is able to manage his personal environment and personal care needs
- Building personal insight and understanding of his own strengths and needs
- X has improved knowledge/coping strategies over his wellbeing
- X built confidence and capacity to manage his medication
- With support X has improved skills to manage his money

**Trustees' Report (continued)**

**For the year ended 31 March 2022**

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**Brand, Media, Public Relations, WorkVivo**

The pandemic required a re-framing of marketing and communications given global world events. Activity was centred around increasing our positive PR coverage in local and national media to solidify our position in the marketplace as a quality provider of care. During the year, this resulted in 102 items of media coverage, eleven of which were on radio or television, a 12% growth in activity. There was a general push made to record video content on our website, and some re-presentation of services pages on the site to make them more concise and impactful for visitors following the mystery shopping exercise carried out in the previous year. Ambient continued to maximise opportunities to spend its Google Ad-Word grant fund to drive traffic to the public website. This meant that in general terms, most top-level statistics have improved dramatically on the site, especially users and page views. However, duration on web-pages has decreased while the bounce rate (numbers leaving after viewing one page) has increased. The latter is most likely a result of the increased advertising spend specifically on mental health and learning disability specific Google AdWords' advertising campaigns. These types of campaigns naturally create wastage as not all of that traffic can be accurately converted.

Ambient invested in further communications activity by launching its first interactive engagement platform for staff. This platform is called WorkVivo, which has marked similarities in look and feel to Facebook. The platform allows staff to interact with each other in real time, create 'spaces' for engagement on specialist topic matters, build community across the Charity and act as a central point of knowledge and access for our Policies, Procedures and Guidelines. The impact since WorkVivo's introduction in January 2022 has been extremely positive. It is helping to strengthen and re-enforce Ambient's culture, given a voice to all team members and provided visibility to staff to share the positive impact of the care and support they provide.

There has been increased focus on delivering results on our social media platforms, however capacity to deliver on this has been marred by a lack of resource. In 2022-23, this should be resolved with the employment of a part-time Social Media Officer. There has been a good increase in followers and "likes" on Facebook during the year, however the largest platform for growth has been on the professional networking platform LinkedIn. This would indicate that Ambient is attracting a business audience to its profile. This is of particular relevance for the next PR and Social Media strategy period with our narrative and messaging about Ambient re-focusing to demonstrate that Ambient is an agile, solutions-focused provider of care and support, positioning itself for growth and partnership working.

**Strategic Plan (2020 - 2025)**

Ambient's 5 Year Plan was agreed at the Board meeting in March 2020 and has been designed to cover the five-year period to 2025. It has been designed following extensive engagement with the people we support and a variety of different stakeholders.

The Mission, Values, and strategic pillars of the Charity remain unchanged and will continue to represent the guiding and common thread that underpins all the Charity's activities.

Our development strategy continued to be to remain sustainable and financially strong; to actively seek to improve the wellbeing of the individuals we support; to enhance the employment experience of our staff; and to develop innovative service offers which serve to enhance our reputation.

Our shared mission for the whole Group:

***To provide personalised support that enables individuals to lead valued and meaningful lives in the community.***

Our shared values across Ambient and its subsidiary, known as the 5i's, are:



The key overarching vision will be to work from a position of “Good” to a position of “Great”. The plan is a confident and ambitious statement about where we want to be by the end of the 5 year plan period. To that end a number of statements have been developed which articulate the scale of that ambition:

By 2025 the *people we support* will:

- Benefit from outstanding quality care and support. We aspire to every service being outstandingly run. (*Beacon of Excellence*)
- Be equal partners in co-producing models of care. Our annual survey will show that this is in place for everyone. (*Partner of Choice*)
- Be supported by staff who are safe, supported and valued. We aspire to *Great Place to Work* accreditation. (*Employer of Choice*)
- Be assisted by technology which will actively promote their wellbeing and independence. (*Pioneering Services*)

## Trustees' Report (continued)

### For the year ended 31 March 2022

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By 2025 the *Charity* will:

- Achieve greater recognition as a leading national provider of community-based support for adults with complex care and support needs to include frail elders, learning disability and mental health. (*Beacon of Excellence*)
- Consolidate financial sustainability through the development of more diverse income streams to include new commissioning partnerships with the NHS and private individuals. (*Financial Strength*)
- Differentiate itself by providing tailored packages of community-based support and housing to those with complex care and support needs to include the use of charitable income to enhance wellbeing and independence. (*Pioneering Services*)
- Provide sector-leading training in areas such as positive behavioural support. (*Beacon of Excellence*)
- Work as a community partner of choice to increase social capital. (*Beacon of Excellence*)

Building on our position of financial strength, significant investment will be drawn down from our balance sheet to enable Ambient to realise its ambition. The five-year plan is supported by a number of enabling and more detailed functional and operational strategies that will be fed through the committees that have oversight of these work streams.

This will mean that there is resource, capacity and flexibility within these dynamic environments to explore, develop, act decisively and respond to opportunities as they arise. This oversight will enable Ambient to have an agile and responsive approach that will take the steps to firstly modernise and then transform the Charity.

#### **Pandemic Impact on 2020-2025 Plan**

Shortly after the original Plan was agreed by the Board, the Covid pandemic hit. Ambient concentrated its resources and capacity on the management of the pandemic and its impact on Ambient services and the people we support.

As a result, Trustees subsequently agreed:

- The ambition and aspiration in the plan needed to be retained, although the immediate focus should be on building our resilience to Covid and potential further waves.
- The pandemic and the resulting uncertainty would necessitate some re-prioritisation with key priorities for the following 12-18 months identified.
- The financial impact of the pandemic would need to be modelled and extrapolated forward to inform the re-prioritisation process and identify resources required.
- The following overarching strategic priorities continue to provide the focus for this financial year:
  - To maintain liquidity
  - To review overheads/structure
  - To focus on workforce support and development
  - To divest from unsustainable services
  - To ensure strong Quality Assurance and Governance

See "Risk statement and management" below for more information on how we have been assessing and managing the impact of Covid.

#### **Business Plans**

In our services for people with **Learning Disabilities (LD)** the focus has been on developing our practice so that the best outcomes are achieved in each service. We have continued to invest in Positive Behaviour Support (we have PBS Coaches and PBS Functional Assessors working in teams across all regions) and the person-centred Active Support approach. Our Quality Team is supporting services to plan and monitor what we offer in better ways and is driving increased levels of involvement and engagement with the people we support. New offers for people with more complex needs are being developed.

## Trustees' Report (continued)

### For the year ended 31 March 2022

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Ambient currently has four domiciliary care branches, seven residential homes and one nursing home within the Learning Disability service portfolio. At the year-end, these services were providing support to over 340 individuals with a range of needs, whether it is a 24/7 service or just a few hours a week to help people meet their potential.

Our aim is to provide high quality support that enables individuals to be as independent as possible, live the life of their choice, and be in control of their own lives, attaining meaningful citizenship in their local community.

In our **Mental Health (MH)** portfolio we have six residential homes, two supported living services and one domiciliary care branch supporting nine services (through which we can provide flexible community support). Our person-centred approach allows us to work with over 200 individuals with a wide range of support needs but all with proactive plans to aid recovery and either maintain or develop skills and confidence to live full lives within their communities. Services are offered as part of wider mental health care pathways with an emphasis on moving through stages of support to achieve a more independent lifestyle including taking up opportunities for voluntary and paid work. We liaise closely with health professionals and other stakeholders as part of multi-disciplinary teams to ensure that emotional wellbeing, mental health and physical health are considered as part of a holistic support package.

The pandemic threw up a unique set of challenges for both the people we support and our staff teams (not least the difficulties in communicating whilst wearing masks) but services managed to deliver excellent levels of care and support regardless.

**Older People (OP)** – Not surprisingly, the impact of the pandemic has been felt most acutely in our services for older people. Our focus was on keeping the people we support safe and healthy whilst also ensuring the wellbeing of staff teams working in extremely difficult circumstances. We have concentrated on developing systems to maintain quality standards and meet CQC compliance requirements including the latest expectations around infection prevention and control, staff training and working in partnership with other health professionals. However, due to sustained losses in a number of older people's services, we took the difficult decision during the year to close two of our care homes, with one closure completed by year end and the other shortly afterwards. One of the care homes has been impaired due to the future closure, as detailed in note 12. This divestment process was well planned and sensitively implemented and all residents were successfully re-accommodated either in other Ambient homes or with other care providers in the local area. Occupancy in our extra care older people's housing improved across the course of the year.

During the year, OP Services supported almost 500 people across eight residential and nursing homes and six extra care housing locations, in Buckinghamshire, Hertfordshire, Kent, Nottinghamshire, Suffolk, and Gloucestershire.

**Housing Management services** – Amber Housing provides a facilities management service to Ambient and acts as a landlord both owning and leasing property which it lets at affordable rents to individuals with a disability. Amber Housing does not work exclusively with Ambient and continues developing its property management services with other landlords and housing associations.

In summary, Ambient and its Amber Housing subsidiary seek involvement from all their clients through engagement in forums, sharing of information in an accessible form as required and inviting participation in decision making across the organisation. Best practice is shared across all areas of the Group, and the Ambient website showcases good news stories and how we can support people to better meet their needs. The voice of the people that we support reaches across the whole Charity. The award-winning Ambient Guardians are championing our Involvement & Co-Production strategy to ensure that the people that we support have a voice and are actively involved in many of our decision making processes. With the support of the Quality Team and Involvement Lead this has meant that people we support are actively involved in the recruitment of staff and Trustees and regularly reviewing the quality of our services through the Quality Checker programme.

**Trustees' Report (continued)**

**For the year ended 31 March 2022**

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**Matters of strategic importance**

The Company has chosen in accordance with section 414C (11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2008 to set out in the strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. It has done so, where relevant, in respect of financial risk management objectives and policies, exposure to price risk, credit risk, liquidity risk and cash flow risk.

**Financial review**

The principal funding sources for the year were contractual payments for care and support services from Local Authorities, the NHS and individuals assessed as able to fund their own care and support. For housing-related services, the funding has been from Housing Benefit for the rent and service charges and from individuals for ineligible service charges and those not eligible for Housing Benefit. There is in addition small amounts of income from voluntary donations and interest on cash deposits.

During the year the Group received income of £39,528k (2021: £36,938k) and had expenditure before depreciation and impairment losses of £38,093k (2021: £36,961k) resulting in a net surplus before depreciation and impairment losses of £1,435k (2021: net deficit of £23k). After taking into account depreciation and impairment losses of £2,070k (2021: £601k) and the actuarial pension gains and adjustments of £1,275k (2021: £1,743k loss) the net movement in funds at the year-end was £640k surplus (2021: £2,367k deficit), which includes £56k (2021: £53k) from Amber Housing.

The pressure on staff costs continues including staff recruitment and retention difficulties which often results in increased use of external agency staff at a premium cost. High staff/agency costs were a feature during the pandemic linked to staff isolating and infection control measures requiring back fill from staffing/agency. However, rising staff costs, and recruitment and retention is a sector-wide issue. This has been an increasing challenge across our services, with fewer people being attracted to social care roles due to the pressures of the pandemic and better wages in other sectors. The introduction and subsequent withdrawal of mandatory vaccination has also had a negative impact on staff numbers. Although we didn't lose a large number of staff following Brexit and the resulting changes to freedom of movement of the workforce, it has certainly restricted and impacted on our talent pipeline. The lack of adequate funding from some Local Authorities to reflect the increased costs of staff continues to put pressure on our margins, and we have continued to make efficiency savings wherever possible. We have improved our systems and general use of technology to help us better manage staff working, efficiency and effectiveness. We also continue to work successfully with a neutral vendor in relation to our agency staff requirements, targeting improved quality and consistency, as well as an overall reduction in agency staff spend, which we continue to monitor and audit.

An increasing level of voids in many OP services has continued this year in particular as a result of the pandemic and a lack of demand for spare beds. Voids also continue to be linked to an increasing level of complexity and dependency of individuals and our ability to safely meet their needs with our current available resources. We have continued to work with the Local Authorities involved to agree satisfactory resolutions.

Due to the post year-end closure in July 2022 of Millbank Care Home, an impairment of £1,104k has been recognised which has reduced the value recognised for the property from £2,599k to £1,495k. Further details are provided in note 12 of the financial statements.

**Trustees' Report (continued)**

**For the year ended 31 March 2022**

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At the end of the financial year reserves totalled £10,297k (2021: £9,657k) of which £72k (2021: £75k) relates to restricted funds. Further details of the composition of the unrestricted funds are given under the 'Reserves policy' section of this report.

At the year-end the Charitable Group has pension liabilities as follows:

- Social Housing Pension Scheme (SHPS): £1,664k (2021: £2,159k).
- LGPS Buckinghamshire: £1,316k (2021: £2,152k).
- LGPS Sutton: £Nil (2021: £131k).

The movement in defined benefit pension liabilities has decreased this year, resulting in an adjustment of £1,275k against reserves (see note 10). The payment liabilities for all pensions are incorporated into our financial plans as they fall due, but as the total liabilities will not crystallise in the foreseeable future, we are confident our liabilities are being managed and do not have a significant impact on our finances.

The pension deficit on the Buckinghamshire LGPS is not likely to crystallise in the foreseeable future and the past service deficit liability for the SHPS is subject to an annual payment arrangement. Note 10 of the financial statements provides further detail on how these liabilities are managed and protections that are in place to cover any liability should relevant contracts be terminated early.

Performance of subsidiary:

Amber Housing reported a surplus of £56k (2021: £53k). Their total funds are £1,610k (2021: £1,554k) with designated reserves at 31 March 2022 of £151k (2021: £156k) recognising the future property liabilities they have relating to both owned and leased houses. (Further details can be found in note 13.)

**Risk statement and management**

The Trustees recognise their responsibility for risk management in Ambient and its subsidiary Amber Housing, and are advised of the major risks by the Executive Team at each Board meeting and in the relevant committee meetings. Trustees are satisfied that they have sufficient controls in place to avoid any major exposure to risk associated with the operation of the care and support services, and the financial affairs of the Charity and its subsidiary. Operational management are responsible for local risk assessments and action plans as they would directly impact on provision of services to people within their area of responsibility.

The strategic risk register of Ambient identifies the following risks as being the principal risks, with the mitigations to those risks listed below each risk:

Threat posed by the pandemic

- COVID-19 Steering Group
- Infection Prevention and Control (IPC) procedures
- IPC Quality Assurance process
- Financial support claims process

Staffing shortages

- Innovate recruitment and retention initiatives
- Ongoing supervision/support
- Good access to evolved learning and training
- Development Pathways
- Centralisation of Recruitment Team

**Trustees' Report (continued)**

**For the year ended 31 March 2022**

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**Inflation/cost of living**

- Robust negotiations with local authorities
- Remuneration under continuous review
- Use of reserves to support retention

**Historical fire safety risks in one region**

- Fire safety issues identified
- Specialist independent surveys commissioned
- Worked closely with the landlord, the local council and the local fire service to make the necessary improvements

**Significant quality/safeguarding/safety event**

- Workforce Development Plans in place (to include succession planning)
- Remuneration for Managers regularly reviewed as required
- Supervision/appraisals
- Tailored learning and development for staff

**Remote working/conflict in Eastern Europe – increased risk of cyber security issues**

- Back up IT facilities
- Back up communications facilities (satellite phones)
- Enhanced security software

**Working with people with increasingly complex needs:**

- PBS programme rollout
- Multi-disciplinary approach with close liaison with clinical staff and social services
- Specialist internal screening prior to agreeing to take on referrals
- Enhanced Quality Assurance processes

**Local Authority funding/Financial sustainability of services**

- Growth strategy
- Divestment strategy
- Business Development role
- Yearly negotiations with Local Authorities of fee uplifts
- Continual internal monitoring via performance reviews
- Development of easily available internal data

Amber Housing – a separate risk register is shared with Ambient and this details any areas of concern. Failure with statutory compliance by a third-party landlord or provider remains the highest risk area, although this is mitigated by regular monitoring.

**Trustees' Report (continued)**

**For the year ended 31 March 2022**

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**Investment powers and policy**

Under the Articles of Association, Ambient has the power to invest its resources in any way the Trustees determine as if it were absolutely entitled to the assets of the Charity.

We have continued this year to retain surplus cash in bank deposit accounts. This gives us strength in our liquidity which we have seen is important to Local Authorities as many care providers are facing financial difficulties, exacerbated by the pandemic and general economic environment. It has also given us confidence to consider potential acquisitions as we have the working capital to take on new services. However, as the returns from cash related deposits remains relatively low, we continually review our risk appetite and the potential for improvement in returns that other investment options, including property, can offer.

Ambient has a current investment in the form of a loan to Amber Housing of £96k, secured with charges over freehold properties (which are leased to people with learning disabilities). This remaining balance will be repaid within one year. (Note 14 of the financial statements provides more detail.)

**Reserves policy and Going Concern**

The Trustees have reviewed the financial position of the Group during the year at each Business Improvement and Financial Performance Committee (BIFP) meeting, and each Board meeting, and consider this in relation to the expected increase in funds and known, and potential, liabilities.

As at 31 March 2022, the total funds held on a consolidated basis are £10,297k. This is made up of:

- £13,054k Unrestricted funds
- £151k Designated funds
- £72k Restricted funds
- £2,980k Pension reserve deficit

The restricted funds comprise various donations received for specific services. It is intended that these monies will be spent during the year for the direct benefit of those services.

The designated funds relate to liabilities expected on Amber Housing properties in the coming years.

Details of the pension deficit are shown in the financial review section on page 11 and note 10 of the financial statements.

On 31 March 2022 the Group's "free reserves" (total reserves excluding restricted and designated funds, funds represented by fixed assets and funds represented by pension) were a surplus of £3,451k (2021: £3,108k).

## Trustees' Report (continued)

### For the year ended 31 March 2022

The target level of Group reserves has been determined based on maintaining sufficient reserves to cover fluctuations in each business area, the environment each operates in, and in meeting its obligations as they fall due. The approach to our reserves policy is to set a minimum level below which reserves should not fall of £5m, plus additional reserves relating to specific items identified that may impact reserves. On this basis, the current General Reserve Target is £8.3m, made up as follows:

General reserve – Total unrestricted reserves (including pension deficit and fixed assets)	£5.0m
Growth development and investment fund (including investment posts, and additional Covid funds)	£0.6m
Risk of loss of significant contracts	£0.9m
Regulator breaches, fines etc. Based on Risk Register (CQC, ICO, Home Office, H&S Executive, GDPR).	£0.7m
Reputational damage and consequential loss of core income – based on a potential loss of total income £3m with a Risk Register Possible Likelihood score of 10%	£0.3m
Employment related matters	£0.1m
Reserve related to Bucks TUPE	£0.5m
Failure of a contractor/breach of contract	£0.2m
<b>Total General Reserve Target</b>	<b>£8.3m</b>

The current reserves level of £10.3m is above the General Reserve Target. In order to utilise excess reserves, the Trustees have agreed an investment plan including digital transformation and key strategic roles.

The reserves policy is reviewed annually at the end of the financial year, or sooner if there are significant changes in the risk register requiring a change to the level of reserves held by the Charity.

The Trustees have considered the impact of the pandemic on the Group and have prepared the financial statements on a going concern basis as the level of reserves and the degree of volatility in income and costs are deemed sufficient to enable the Group to continue for the foreseeable future. The Group has on the whole coped well in the pandemic climate, and any risks have been well discussed between the Executive and Trustees, and documented on the risk register, along with mitigating controls. Further details of the principal risks (refer to page 12) and future impact (refer to page 9) of the virus have been considered and are deemed acceptable.

The Trustees have reviewed the expected future forecasts and plans, cash flows and liquidity of the Group, and have discussed potential efficiency savings that might arise in future and the opportunities for growth across all services, and consolidation of some services, and are fully satisfied that the Group meets the “going concern” criteria.

#### Directors' Duties (s172)

In complying with their duties under s172 of the Companies Act 2006, to promote the success of the organisation for the benefit of its members as a whole, and to achieve its charitable purpose, Trustees have had regard to a number of factors, including the following:

#### The likely consequences of any decision in the long term

All key decisions that may have a significant impact on the long-term future of the Charity are discussed with Trustees at the relevant sub-committee as well as the Board. In respect of key on-going projects, initiatives or strategies, Trustees receive regular updates to ensure that there is an appropriate level of oversight. As any plans are developed, Trustees will have regular clear oversight of them, and a number of Trustee and Executive joint “away-days” were held during the year, to discuss and agree the strategic plan, priorities, and key issues.

**Trustees' Report (continued)**

**For the year ended 31 March 2022**

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**The interest of the organisation's employees**

The Charity is committed to proactively involving, supporting and developing its staff.

Our Workforce Development Strategy which has been in place for over a year is a key driver for this with an ambitious programme of work, and a detailed implementation plan with clear outcomes, which is agreed and monitored via our Organisational Development and Resources (ODR) committee. Despite the challenges brought about by the pandemic, we have largely achieved the actions, to time. The overarching themes are:

**Inclusiveness**

- Foster a fully supportive and enabling culture
- Discrimination and unconscious bias are proactively addressed
- Ensuring our workforce is diverse and inclusive

**Engagement**

- Promoting staff engagement and active listening
- Using staff forums, networks and surveys support and enable staff through coaching and wellbeing

**Development**

- Offer well defined learning pathways
- Making above industry level of investment in learning and development
- Embedding professional leadership at all levels

**Recruitment**

- Recruiting for attitude, training for skill
- Best in class values based recruitment
- Streamlined recruitment to ensure best candidates

Ambient is strongly committed to engaging in a meaningful way with its workforce, and some examples of how this happens include:

- Quarterly Joint Staff Consultative Forum, where key issues are discussed and consulted on with staff representatives, including key challenges and business critical issues. A large section of the agenda is driven by the representatives and a number of Senior Officers attend, including the CEO. It is a vibrant and energetic discussion group. The forum continues to go from strength to strength, driving a developing agenda. Recent topics under discussion include our Technology Programme, targeted divestment, tendering opportunities, and employment package changes.
- Although we have been unable to hold face to face staff conferences, concerted and targeted engagement with frontline staff has continued with virtual visits, and slowly, a return to face to face visits. Our wellbeing support for staff continues to be crucial, the main vehicle for which is our Employee Assistance Programme, with a holistic approach, offering both individual support and access to counselling, a rich and varied webinar programme on a variety of relevant topics, with additional critical incident support available to teams.
- An annual staff survey is conducted which results in both local and corporate action plans. Response rates are high and feedback continues to be positive and increasing.
- Key points from the above staff interactions, as well as the impact of any major decisions affecting staff, are reported to Trustees via the Organisational Development and Resources sub-committee, and/or the Remuneration sub-committee, as well as the Board. Trustees receive regular updates on such things as remuneration, safeguarding, and health and safety, in relation to our workforce.

**Trustees' Report (continued)**

**For the year ended 31 March 2022**

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- Ambient give full and fair consideration to applications for employment made by disabled persons. All disabled applicants who meet the minimum criteria for a job vacancy will be granted an interview and Ambient will consider them based on their abilities. Consideration will be given to any reasonable adjustments which may be necessary and appropriate at the interview stage, including those which allow the use of technology which would assist the interview process. If employees were to become disabled whilst employed by us, we would ensure they were fully supported in continuing their employment with us wherever possible, and we would provide any additional training required. We fully support the training, career development and promotion of all disabled persons employed by us. Staff at Ambient who have a disability (as defined under the Equality Act) have the opportunity for ongoing support under the Ambient Disability Support Scheme for staff. Ambient will also make any reasonable adjustments to the workplace and to employment arrangements to ensure that a disabled person is not at any disadvantage when compared to a non-disabled person and support will be given on an ongoing basis with regular assessments of whether an individual's needs are being met.
- In the Autumn of 2021 Ambient was reassessed and successfully re-accredited as a Mindful Employer.

**Annual staff survey**

The annual Staff Survey ran for two weeks during November/December 2021. We had a good response and saw an increase in the number of people responding based on the previous year, with 647 staff taking part.

The survey covered our usual seven key themes: About You; My Role; Team Work; Your Manager; Leadership; The Organisation; Diversity & Wellbeing.

Overall results of the survey were virtually identical to the results of the 2020 survey, with just a few very minor upticks and dips.

98% of people responding said they like the work that they do. (Only eight respondents across Ambient disagreed with this statement.)

There was a noticeable improvement in responses to survey questions relating to management communications, understanding team contribution and support and motivation. This is great news and testament once again to the incredible efforts that people have gone to ensure staff teams have been kept informed throughout the pandemic.

We also saw an uptick and improvement in how staff felt about the Senior Management Team, feeling more listened to and having their views communicated upwards.

We saw minor dips in the safety and wellbeing areas of the survey, which are possibly understandable given the climate we have been working in. A lack of visibility of Senior Leaders also saw a slight dip, accounted for due to the pandemic and the inability to hold our annual regional conferences and get together.

Recognising how difficult and stressful it has been for our staff dealing with the pandemic, we remain contracted with CiC, our Employee Assistance Programme (EAP), to ensure we can continue to provide staff with a host of support resources, including one-to-one counselling. In addition, we rolled out a successful programme of resilience training for staff during the year, and engaged a psychotherapist to deliver webinars to front line staff and managers focused on wellbeing needs arising from the pandemic. Clinician-led critical incident type support was offered to staff groups in areas identified as needing additional support.

## Trustees' Report (continued)

For the year ended 31 March 2022

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### **The need to foster the organisation's business relationships with suppliers, customers and other key stakeholders**

The people we support are our key stakeholders. They are why we are here. They are at the centre of, and the focus of, everything we do. We engage with them in care planning, with regular and continual contact and feedback, with their family supporters, and with their GPs and other specialist care professionals involved in their support programme, to ensure we are continuing to give each person the personalised care and support that they desire. The care plans of the people we support are all individually discussed with them and/or their relatives, and regularly updated, so we can work towards the outcomes that are sought for each person, and provide them with the best possible care to support those outcomes. During the year, Trustees engaged in Covid-safe virtual visits to schemes (and when deemed safe, some of the usual on-site visits). These visits give Trustees the opportunity to engage directly with the people we support, as well as with our front-line service staff, so are a valuable tool in understanding how our clients and operational staff feel about the services we are providing, and identifying any potential issues and feeding those back to the Executive. Regional and other operational managers also regularly give presentations to Trustees about the services in their areas, often including various case studies, to help Trustees understanding of what's currently happening in that particular front-line.

Purchasers of our services, including Commissioners (CCGs until the end of June 2022, ICSs subsequently, and Local Authorities), are our key customers. We encourage feedback from customers so we can improve our services. e.g. reshaping service delivery to fit with the requirements and finances of the purchaser, negotiating and agreeing the care support required for specific individuals, or groups of individuals with certain care needs, and agreeing pricing. We always seek to deliver high-quality services, but frequently have to deliver to a tight price point. Trustees are regularly appraised at the Board and committee meetings of our liaisons with our various customers, and of any particular current issues. These will come to light also in the presentations mentioned above, and are also reported in the quarterly dashboard performance reviews (covering all schemes across all regional areas and all client groups), which all Trustees have presented to them.

Our relationship with our supplier partners is key to our effectiveness in providing quality care services. For example, in relation to accommodation we do not own, we rely on third-party landlords for quality property provision that is safe, well maintained, and appropriate for the people we support, and we liaise closely with them to ensure that this is the case. Any significant issues that might arise from time to time with particular suppliers are reported to Trustees. We also play an active and vital part within the communities of the key trade bodies that represent us (e.g. National Care Forum (NCF), Voluntary Organisations Disability Group (VODG)).

Regulators (e.g. CQC, HSE) are key stakeholders as we are legally obligated to operate under multiple regulatory regimes. We respond to regulatory reports and findings in a positive way as we always want to improve what we offer, and want to ensure that we continue to operate safe and quality services of the highest level. Regulatory reports are notified to Trustees, and are also reported as part of the quarterly dashboards and performance reviews mentioned above, so Trustees have early sight of any particular issues.

### **The impact of the organisation's operations on the community and the environment**

Ambient is committed to building social capital within the communities in which it works. For example, Ambient's Community Engagement and Inclusion Services add flavour and colour to people's lives, helping to reduce the stigma and isolation of mental ill health.

**Trustees' Report (continued)**

**For the year ended 31 March 2022**

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These projects are an important part of our offering, and allow people to participate in meaningful and enjoyable activities, often together with friends and family, to boost confidence and to help build social and support networks. People who take part can expect to:

- Learn new skills and access training opportunities and further education.
- Build social networks and decrease feelings of social isolation.
- Have their voice heard and help to shape and plan the delivery of Ambient's mental health services.
- Gain support to join, or even start, a service user-led group.
- Build confidence that enables people to move towards employment or volunteering opportunities in their communities.

Current projects, now resuming after suspension during the pandemic, include:

- The Ambient Creative Arts Project: A creative arts project that allows people to explore their potential and creativity via the medium of ceramics.
- The Ambient Horticultural Project: A horticulture programme that supports wellbeing by involving people in the delivery of gardening services across South East London. Service users learn gardening and horticulture skills, which can assist them in returning to work or gaining future employment.

Case studies relating to these types of project are regularly presented at Trustee meetings.

Please also see how we seek to reduce our environmental footprint in the "Streamlined Energy and Carbon Reporting" on page 23 below.

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

It is particularly important, given the nature of Ambient's work as a leading social care charity, and in liaising with the important stakeholder groups mentioned above, that we ensure the maintenance of our reputation of high standards of conduct in all our business dealings. Further, in relation to organisational risks, our risk registers are reviewed regularly by the Executive and at Trustee committee meetings to determine any impacts arising from the meeting's discussions, including any impact that might relate to reputational risk, and factors that may mitigate those risks.

**The need to act fairly as between members of the organisation**

The Board collectively ensures that it acts fairly as between its members, and that all members act in the best interests of Ambient, focused on promoting the success of the organisation in meeting its charitable aims.

In doing so members will exercise independent judgment, reasonable skill, care, and diligence, and avoid (or declare where not avoidable), any conflicts of interest or conflicts of loyalty.

**GOVERNANCE**

**Structure, governance and management**

Ambient Support Limited is a Charity registered with the Charity Commission for England and Wales and a Company Limited by Guarantee (Charity No. 1135353 and Company No. 07211819). Ambient Support Limited has one active subsidiary: Amber Housing Limited - a Registered Co-operative and Community Benefit Society (Reference 30052R) and one dormant subsidiary: Amber Housing Ventures Limited – a private company limited by guarantee (Company No. 12181165).

**Trustees' Report (continued)**

**For the year ended 31 March 2022**

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As part of a Governance review which became effective from 1 January 2017, and in accordance with the recommendations of CC35 regarding unconflicted Board members, it was agreed that Trustees should not sit on more than one company within the Group as a Trustee. The role of co-optee was created whereby the skills and experience of an individual could be retained for a period by any part of the Group and they could attend Board meetings but would have no voting rights. The Ambient Board can nominate and/or remove Trustees onto the Boards of its subsidiary and made the relevant changes in relation to Amber Housing. All Trustee appointments are proposed and agreed by the Ambient Board, including those involving nomination to subsidiary Boards.

Ambient is governed by its Articles of Association which were last revised on 24 June 2020. It should have at least seven members and not more than 15, and they will act on a voluntary basis as Trustees and Directors under Company Law. As at 31 March 2022 it had 13 Trustees and one co-optee. Trustees of Ambient guarantee to contribute a sum not exceeding £1 to the assets of the Charity in the event of it being wound up. The Trustees had no beneficial interest in the charitable company. All Trustees are required to complete "fit and proper person" declarations to meet the requirements of the Care Quality Commission (CQC) and HMRC in order to fulfil their role. There are also no persons with significant control identified for Ambient, as all decisions are transacted through the Ambient Board with all Trustees involved.

Amber Housing is governed by its rules which were last revised on 1 January 2017. It should have at least six members and no more than ten, and they will act as Shareholders, and report to the Financial Conduct Authority as their regulating body. As at 31 March 2022 it had nine Shareholders (Board members) and one co-optee.

All Trustees/members are recruited through advertising the vacancies in suitable publications and online recruitment sites and the skills and experience required of the Trustees are determined by a review of the skills matrix for the Board also recognising a desire for some service user participation on the Board. As part of the last set of Governance changes, all Trustees serving for Ambient or Amber Housing were issued with a new starting term date of 1 January 2017 and an initial term of either two or three years. The maximum term for service is two terms of three years each.

New Trustees undergo an induction during which their legal obligations are outlined by way of a meeting with the Chief Executive to go through the structure of the committees and decision making processes, together with the current business strategy and business plan; and with the Director of Finance to review the recent financial performance, the current budget and any other relevant financial forecasts. These sessions are complemented by visits to services at which they can meet and discuss issues with local operational staff. All Trustees are active in visiting services (virtually if necessary) on an annual basis to see directly the benefit the Charity is bringing to the lives of the individuals they support. Trustees are encouraged to attend internal training courses which cover Safeguarding, Governance and Charity Law. Ongoing training is provided to ensure that all Trustees are familiar with Charity Commission guidance and changes to any statutory requirements that may impact on their role.

The Trustees operate a number of committees to assist them in monitoring the performance of the Charity and to enable the Board to carry out its governance functions. The basis of the committee structure changed in 2017 and the Amber Housing Board now meet separately to Ambient but have representation on each of the committees which continue to operate on a group basis. The committees each have their own terms of reference, and provide great value in their respective areas of expertise, doubly so during the pandemic given the importance of keeping the people we support safe, maintaining quality service delivery, supporting staff wellbeing, driving digital transformation, and maximising access to and use of Covid related grants. The five committees are as follows:

- Quality Improvement and Safety (QIS) - monitors quality, Quality Assurance, and Health and Safety.
- Business Improvement and Financial Performance (BIFP) – oversees the Charity's financial performance, business development and improvement, and external and internal audit.
- Organisational Development and Resources (ODR) – oversees Human Resources and employee engagement and development.
- Remuneration – reviews senior leadership pay and pay strategy.
- Nominations – oversees Trustee appointments.

**Trustees' Report (continued)**

**For the year ended 31 March 2022**

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All Trustees are covered in their role through an insurance policy which includes Trustee Indemnity cover. The cost is not separated as it is part of a comprehensive Social Welfare combined policy which includes the employer, public liability, medical malpractice and professional indemnity insurance including management liability insurance which covers the Trustee role.

The day-to-day operation of the Charity is delegated to the Chief Executive – Mark Milton, and his respective Executive Management Team detailed as Senior Officers on pages 2 and 3. There are functional managers for each of the key areas of the business. In addition, service managers are registered with CQC where required.

The day to day operation of Amber Housing is delegated to their Chief Executive – Emelda Livette (succeeded by Troy Henshall post year-end), who is accountable to the Board Members of Amber Housing and reports to the Chair of Amber Housing.

The Trustees consider the Board of Trustees of Ambient, the senior officers employed by Ambient and the Chief Executive of Amber Housing comprise the key management personnel of the charitable Group. All Trustees give of their time freely and no Trustee received remuneration in the year.

The Trustees of each entity recognise the important role that all staff have in delivering the services we provide to the people we support. The training received by staff is much valued by them, and the achievement of both statutory training and specialist training to better meet the needs of people we support, forms part of our quarterly benchmark reporting for each entity. At a service level the staff are involved in team meetings at which they can input their ideas and discuss what is working well and what could be improved.

Trustees acknowledge that the pay in the care sector is relatively low, and the decision of central Government to introduce the National Living Wage is one that has benefitted a large number of our employees from April 2016 onwards. Equally in the last few years, changes to sleep-in payments have resulted in increased pay for many staff doing sleep-in shifts. The Charity offers a range of benefits to staff, which include access to training opportunities, and we utilise the Apprenticeship Levy very effectively. An Employee Assistance Programme provided by Counselling in Companies (CiC) is available to all staff. The Joint Staff Consultative Forum functions effectively as a representative body and meets quarterly to discuss and review organisational developments, challenges and key issues affecting staff.

Ambient values the diversification in their workforce. We are a Stonewall Diversity Champion (The Diversity Champions' programme is the leading employers programme for ensuring all staff including LGBTQ staff are free to be themselves in the workplace), a Mindful Employer (Mindful Employer provides organisations with easier access to information and support for staff who experience stress, anxiety, depression or other mental health conditions), and operates in accordance with the requirements of Disability Confident (The Disability Confident scheme aims to help employers make the most of the opportunities provided by employing disabled people). All staff undertake equal opportunities training and awareness as part of their induction programme, and managers are supported to understand what additional requirements are expected of them.

**Relationships with other organisations**

- Ambient has one trading subsidiary – Amber Housing, whose legal structure is outlined on page 19. Amber Housing provides facilities management services to Ambient for properties it both owns and leases. It also provides Health and Safety services and advice for the Group. Amber Housing and Ambient have an Intragroup Agreement in place which covers their internal relationship, and how Amber Housing can support Ambient to grow its care and support services. Amber Housing also has a strategic plan designed to grow and develop its service offer with partners outside the Group. The strategic plans of both organisations are presented to the Ambient Board for approval and ratification. Ambient has financial oversight of the work of Amber Housing. Amber Housing's Chief Executive advises committees such as BIFP on development opportunities, property acquisition and approach to investments.
- Amber Housing Ventures Limited is a dormant subsidiary of Ambient Support Limited. It has not traded since incorporation.

**Trustees' Report (continued)**

**For the year ended 31 March 2022**

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- The Trustees of both Ambient and Amber Housing are required to disclose all related parties and any relevant interests to the Company Secretary. These are reviewed at least annually and held on the relevant company registers and shared with our Auditors and other organisations as required. At each Board and sub-committee meeting any Trustee conflicts of interest are required to be disclosed, and if significant then the Trustee may be asked to withdraw from any decisions where this conflict arises.

**Public Benefit**

The Trustees have taken due regard of the Charity Commission's guidance on public benefit and comment on the main activities undertaken. Ambient works with beneficiaries who are defined by the consequences of old age, disability and illness. Trustees place no discretionary restriction on eligibility or access to services, and so the principles of the public benefit requirements placed on Ambient as a Charity are met, and are reviewed annually by all Trustees.

Amber Housing is not a Registered Charity so is not obliged to make a formal public benefit statement. However, it works with disadvantaged individuals providing affordable housing solutions, and would meet the requirements of the Charity Commission on public benefit.

At each Board meeting and when decisions are taken, the Chair of each entity ensures that any decisions and actions are taken for the public benefit.

**Objectives and activities**

The objects of Ambient, the Charity, as set out in its Articles of Association are:

- To relieve poverty by providing houses, hostels or accommodation and any associated amenities to people in necessitous circumstances.
- To relieve physical and mental illness, disability, poor health and old age by providing appropriate housing, accommodation, care, support and assistance with associated facilities and amenities.
- To relieve physical and mental illness, old age, disability, chronic illness and/or to relieve poverty by the provision of advice, training and assistance appropriate to the recipient's needs and by the provision of advice, training or assistance to other associations or organisations providing similar services.

The aims of the Charity are to support people from diverse backgrounds, who generally have only limited opportunity to participate meaningfully in their communities, despite having a range of abilities, skills and potential. This can be because of the ageing process, mental health issues or having learning and/or a physical disability. It is our aim to help each individual we support to live valued lives within their community and enable them to exercise independence and choice wherever possible.

Through the provision of flexible, person centred support packages that are designed to enable each individual to achieve their agreed outcomes, a variety of service models are offered. These include supporting people in a range of different settings including their own homes, supported living, residential services, short break services and extra care. A wide range of services can be provided including housing-related support, domiciliary care, community-based day activities and outreach services. The service provision can be tailored for each type of client need. In essence, the package of support is built around the individual not the structure in which they live.

The objectives of Amber Housing closely align with those of Ambient, as they provide services that support individuals with a learning disability, mental health condition, or those that need support in older age. The services provided by Amber Housing for facilities management are agreed with officers of Ambient each year, and the cycle of repairs and capital renewals and related priorities are reviewed and agreed jointly.

Trustees' Report (continued)

For the year ended 31 March 2022

Streamlined energy and carbon reporting

UK Greenhouse gas emissions and energy use data for the period 1 April 2021 to 31 March 2022:

	2022	2021	2020
Energy consumption used to calculate emissions (kWh)	5,916,023	6,267,606	6,126,897
Energy consumption breakdown (kWh)			
- Gas	4,362,776	4,751,464	4,456,125
- Electricity	1,472,863	1,440,706	1,415,234
- Transport fuel	80,384	75,436	255,538
Scope 1 emissions in metric tonnes CO2e			
- Gas consumption	796.38	870.28	819.35
- Owned transport - minibuses	-	-	4.35
	796.38	870.28	823.70
Scope 2 emissions in metric tonnes CO2e			
- Purchased electricity	284.82	305.91	329.95
Scope 3 emissions in metric tonnes CO2e			
- Business travel in employee owned vehicles	13.73	12.54	39.16
<b>Total gross emissions in metric tonnes CO2e</b>	<b>1,094.93</b>	<b>1,188.73</b>	<b>1,192.81</b>
<u>Intensity ratio</u>			
Tonnes CO2e per service user	1.05	1.15	1.09

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per service user.

Measures taken to improve energy efficiency

Ambient is fully committed in its responsibility to care for our environment and to minimise any adverse environmental impact relating to its activities. As a large employer (employing over 250 people) Ambient met its obligation to participate in the Government Energy Savings Opportunity Scheme (ESOS), and has been implementing the findings. Ambient holds a buildings related responsibility including informing external parties where the responsibility for performance is held. In trying to improve our environmental footprint at Ambient, we have a number of on-going initiatives. These include using recycled and recyclable materials wherever possible, having a recycling policy in our offices, offering our staff access to the cycle-to-work scheme, enhancing our online learning and training provision, and making Microsoft Teams and other video conferencing software accessible to our staff to reduce travel and its environmental impact. We also made an investment in heating and climate control at our Head Office that will assist in the reduction of overall energy usage.

**Trustees' Report (continued)**

**For the year ended 31 March 2022**

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**Governance Code**

The Trustees have considered the new Charity Governance code which was updated in late 2020. The code is designed to assist charities and their Trustees develop high standards of governance. The new version of the code starts with the assumption that all Trustees are committed to their Charity's cause and have joined its Board because they want to help the Charity deliver its purposes most effectively for public benefit and understand their roles and legal responsibilities as set out in the Charity Commission's guidance The Essential Trustee (CC3).

There are seven principles which make up the Code and each section includes recommended practice for larger and smaller charities:

- 1 Organisational purpose
- 2 Leadership
- 3 Integrity
- 4 Decision-making, risk and control
- 5 Board effectiveness
- 6 Diversity
- 7 Openness and accountability

The Trustees are making good progress in working towards the key recommendations included within the code. For example:

- to ensure its continuing effectiveness and Trustee accountability and integrity, the Board reviews its own performance and that of individual Trustees, including the Chair, every year
- the Board has worked to good effect to improve the diversity of its members, and also to improve the match of skills and experience to business requirements and organisational purpose
- new Trustees are limited to a maximum two terms of three years
- the Board operates with the presumption of openness, and there are robust policies in place for decision-making and for managing any potential conflicts
- there is a strong emphasis on the leadership role of the Chair and Vice Chair in supporting and achieving good governance in general

**Fundraising**

The Charity does not use any external bodies to fundraise on its behalf. Any fundraising undertaken by the Charity was minimal in nature and undertaken at a local level by employees and supporters, and these activities are monitored by management and Trustees. We are subscribed to the Fundraising Preference Service and have received no complaints this year relating to fundraising activities (2021: none).

**Auditor**

RSM UK Audit LLP was reappointed as the charitable Group's auditor during the year.

**Statement as to disclosure of information to the auditor**

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' Report and the incorporated Strategic Report were approved by the Trustees (Directors for the purposes of Company Law) on 29 September 2022 and duly signed on their behalf by:



**David Brindle**  
Chair

**Statement of Trustees' Responsibilities**

**For the year ended 31 March 2022**

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The Trustees (who are also directors of Ambient for the purposes of company law) are responsible for preparing the Trustees' Report, including the Strategic Report, and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- 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 in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

### Opinion

We have audited the financial statements of Ambient Support Limited (the 'parent charitable company') and its subsidiary (the 'Group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities (incorporating an income and expenditure account), the Group and Company Balance Sheets, the Group Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### Other information

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

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

We have nothing to report in this regard.

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

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

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

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

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

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:

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

### Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 25, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

**The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the Group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the Group and parent charitable company operates in and how the Group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents and evaluating advice received from internal/external tax advisers.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Care Act 2014, Care Quality Commission regulations and General Data Protection Regulation. We performed audit procedures to inquire of management whether the Group is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

The Group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgements and estimates.

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

**Use of our report**

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

*RSM UK Audit LLP*

HANNAH CATCHPOOL (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

25 Farringdon Street

London

EC4A 4AB

Date 5th December 2022

## Consolidated Statement of Financial Activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

		2022	2022	2022	2021	2021	2021
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Note	funds	funds	funds	funds	funds	funds
		£'000	£'000	£'000	£'000	£'000	£'000
<b>Income from:</b>							
Donations, legacies and grants	2	5	1,981	1,986	70	1,848	1,918
Charitable activities:	3						
Registered Services		18,532	-	18,532	16,680	-	16,680
Supported Living		14,867	-	14,867	14,164	-	14,164
Domiciliary & Community services		2,811	-	2,811	2,680	-	2,680
Property & Housing		1,279	-	1,279	1,311	-	1,311
Other		51	-	51	105	-	105
Other income	4	-	-	-	71	-	71
Investments	5	2	-	2	9	-	9
<b>Total income</b>		<b>37,547</b>	<b>1,981</b>	<b>39,528</b>	<b>35,090</b>	<b>1,848</b>	<b>36,938</b>
<b>Expenditure on:</b>							
Charitable activities:							
Registered Services		19,587	1,283	20,870	17,695	1,472	19,167
Supported Living		14,083	505	14,588	13,359	272	13,631
Domiciliary & Community services		2,560	187	2,747	2,744	105	2,849
Property & Housing		1,945	-	1,945	1,888	-	1,888
Other		4	9	13	12	15	27
<b>Total expenditure</b>	6	<b>38,179</b>	<b>1,984</b>	<b>40,163</b>	<b>35,698</b>	<b>1,864</b>	<b>37,562</b>
<b>Net income</b>	7	<b>(632)</b>	<b>(3)</b>	<b>(635)</b>	<b>(608)</b>	<b>(16)</b>	<b>(624)</b>
<b>Other recognised gains/(losses)</b>							
Actuarial gain/(loss) on defined benefit pension schemes	10	1,275	-	1,275	(1,743)	-	(1,743)
<b>Net movement in funds</b>		<b>643</b>	<b>(3)</b>	<b>640</b>	<b>(2,351)</b>	<b>(16)</b>	<b>(2,367)</b>
<b>Reconciliation of funds</b>							
<b>Total funds brought forward</b>		<b>9,582</b>	<b>75</b>	<b>9,657</b>	<b>11,933</b>	<b>91</b>	<b>12,024</b>
<b>Total funds carried forward</b>	17	<b>10,225</b>	<b>72</b>	<b>10,297</b>	<b>9,582</b>	<b>75</b>	<b>9,657</b>

## Balance Sheet

As at 31 March 2022

	Note	Group		Charity	
		2022 £'000	2021 £'000	2022 £'000	2021 £'000
<b>Fixed Assets</b>					
Intangible assets	11	590	417	590	417
Tangible assets	12	9,013	10,343	7,743	9,111
<b>Total fixed assets</b>		9,603	10,760	8,333	9,528
<b>Debtors:</b>					
Amounts receivable within one year	14	2,202	2,068	2,232	2,064
Amounts receivable after one year	14	-	-	-	96
Current asset investments		738	6,688	738	6,188
Cash at bank and in hand		8,965	1,916	8,257	1,679
		11,905	10,672	11,227	10,027
<b>Current liabilities</b>					
Creditors: Amounts falling due within one year	15	(6,509)	(5,328)	(6,170)	(5,006)
<b>Net current assets</b>		5,396	5,344	5,057	5,021
<b>Creditors: Amounts falling due after more than one year</b>	16	(1,722)	(2,005)	(1,722)	(2,005)
<b>Net assets excluding pension scheme liability</b>		13,277	14,099	11,668	12,544
Defined benefit pension scheme liability - LGPS	10	(1,316)	(2,283)	(1,316)	(2,283)
Defined benefit pension scheme liability - SHPS DB	10	(1,664)	(2,159)	(1,664)	(2,159)
<b>Total net assets</b>		10,297	9,657	8,688	8,102
<b>Funds</b>					
Unrestricted funds	17	13,054	13,868	11,596	12,469
Pension reserve	17	(2,980)	(4,442)	(2,980)	(4,442)
Designated funds	17	151	156	-	-
Total unrestricted funds		10,225	9,582	8,616	8,027
Restricted funds	17	72	75	72	75
<b>Total funds</b>		10,297	9,657	8,688	8,102

As permitted by s.408 of the Companies Act 2006, the Charity has not presented its own Statement of Financial Activities and related notes. The Charity's net deficit for the year was £1,080k (2021: £678k) and the net movement in funds was £195k (2021: -£2,421k).

The financial statements were approved by the Board of Trustees and authorised for issue on 29 September 2022 by:



David Brindle  
Chair



Scott Haldane  
Treasurer

**Ambient Support Limited****Statement of Cash Flows****For the year ended 31 March 2022**

	<b>Note</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
<b>OPERATING ACTIVITIES</b>			
Cash from operations	19	2,231	(513)
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES		2,231	(513)
<b>INVESTING ACTIVITIES</b>			
Long Term Deposits		(50)	-
Investment income		2	9
Proceeds on disposal of tangible fixed assets		-	14
Purchase of fixed assets		(945)	(1,141)
NET CASH USED IN INVESTING ACTIVITIES		(993)	(1,118)
<b>FINANCING ACTIVITIES</b>			
Repayments of borrowings - bank loan		(52)	(50)
Repayments of borrowings - other loans		(77)	(72)
Interest paid		(60)	(76)
NET CASH USED IN FINANCING ACTIVITIES		(189)	(198)
NET DECREASE IN CASH AND CASH EQUIVALENTS		1,049	(1,829)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	19	7,916	9,745
CASH AND CASH EQUIVALENTS AT END OF YEAR	19	8,965	7,916

## **1. ACCOUNTING POLICIES**

### *Charitable company information*

Ambient Support Limited is a private company limited by guarantee (company number 07211819) and a charity registered in England and Wales (charity number 1135353). Details of the registered office address are given on page 2 of the financial statements. The Group's operations and principal activities are described in the Trustees' Report and incorporated Strategic Report.

The following accounting policies have been applied consistently across the Group in dealing with items which are considered material in relation to the Group's financial statements.

### *Basis of accounting*

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments. They are drawn up in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) second edition effective 1 January 2019 and the Companies Act 2006.

The financial statements are presented in sterling, which is the functional currency of the Charity and Group. Monetary amounts in these financial statements are rounded to the nearest £'000 except where otherwise indicated.

The Charity constitutes a public benefit entity as defined by FRS 102.

The consolidated financial statements incorporate those of Ambient and its subsidiary company Amber Housing on a line by line basis.

The parent body, under certain circumstances, has the power to appoint and remove the Board members of Amber Housing, thereby establishing a subsidiary relationship, which requires that their results should be consolidated with Ambient and so Amber Housing is deemed to be a subsidiary, as the parent body has ultimate control over Board membership.

The individual Charity financial statements of Ambient are included in these consolidated financial statements and in accordance with FRS 102, the Charity has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flows and related notes and disclosures
- Section 11 'Basic Financial Instruments' – Interest income/expense and net gains/losses for each category of financial instrument

A separate Statement of Financial Activities and income and expenditure account are not presented in this report for the parent following the exemptions afforded by section 408 of the Companies Act 2006.

**Notes to the financial statements (continued)**

**For the year ended 31 March 2022**

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*Going concern*

The financial statements have been prepared on a going concern basis as the level of reserves and the degree of volatility in income and costs are deemed sufficient to enable the Group to continue for the foreseeable future. The Group has on the whole been coping well in the current Covid and inflationary climate, and any risks have been well discussed between the Executive and Trustees, and documented on the risk register, along with mitigating controls. In response to the circumstances that the pandemic has created, we have established a business continuity Covid monitoring group that meets on a regular basis and monitors latest guidance and best practice and reports regularly to the Board. There are no material uncertainties. The Trustees have determined this based on their experience of the care sector, a review of business plans, forecasts and cash flow statements and the nature of the contracts they have in place for services. They do recognise that some judgement on future pension deficits is required, but the crystallisation of these is not immediate.

*Income*

All income, whether unrestricted or restricted, is credited to the Statement of Financial Activities when received or deemed receivable. Income is recognised on an accruals basis for services provided in accordance with any contractual obligations, and if income is received prior to the future period to which it relates or entitlement is assured, then income is deferred to the relevant period.

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

*Income from donations and legacies*

Income from donations and legacies is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Income is recognised on an accruals basis where conditions for entitlement have been met, there is probability of receipt (i.e. more likely than not) and the value can be measured with sufficient reliability. During the year, the Group has also received free PPE equipment in response to the pandemic. Donated goods, services and facilities are included at open market value that Ambient would be willing to pay, where these are reasonably quantifiable and measurable. An equivalent amount is included as expenditure in the Statement of Financial Activities.

*Government grants*

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

*Expenditure*

Expenditure is allocated to the particular activity where the cost relates directly to that activity. Support costs are corporate overheads incurred indirectly in the provision of services which are then apportioned on the basis of the income level for each type of service provided. The support costs include HR, finance, IT, payroll, training and administrative resources, and irrecoverable VAT where applicable. A liability is recognised when the Charity is legally committed at the balance sheet date as a result of a past event.

Governance costs are included in support costs, and are those incurred to comply with constitutional and statutory requirements and include audit fees, legal fees, Trustees' expenses and Board and AGM meeting costs, including an allocation of officer time where deemed appropriate to support the Committee activity.

Notes to the financial statements (continued)

For the year ended 31 March 2022

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*Taxation*

The Charity transmogrified on 1 April 2010 from an Industrial and Provident Society (Registration: IP27739R) to a company limited by guarantee registered in England (No: 07211819) and a Registered Charity (No: 1135353). It is exempt from corporation tax in so far as the surplus derives from its charitable activities. It also operates a VAT group with its subsidiary.

The subsidiary, Amber Housing Limited, is a Society incorporated under the Co-operative and Community Benefit Society Act 2014 with charitable rules and is exempt from corporation tax on this basis.

*Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation and impairment losses. Items are only capitalised where the item value is £500 or greater, and has an expected useful life of over one year. Depreciation is charged over the expected useful economic lives of the assets less any residual value at the following rates:

Freehold and leasehold land and buildings	- 2% straight line or term of the lease if less (Freehold land is not depreciated)
Leasehold property alterations	- 10% straight line or term of the lease if less
Furniture, fittings and equipment	- 20% to 33.33% straight line
Computer equipment	- 33% straight line
Vehicles	- 25% straight line

*Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation, less any impairment. Items are only capitalised where the item value is £2,500 or greater, and has an expected useful life of over one year. Amortisation is charged over the expected useful economic lives of the assets less any residual value at the following rates:

Enterprise Care System	- 20% straight line
------------------------	---------------------

This represents the period over which the Trustees believe the intangible assets are expected to give rise to economic benefit.

Assets in the course of construction are not amortised until they are brought into use.

The carrying values of intangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

*Impairment of fixed assets*

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Charity estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairments of revalued assets are treated as a revaluation loss. All other impairment losses are recognised in profit or loss.

For fixed asset other than goodwill, recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in profit or loss or, for revalued assets, as a revaluation gain. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

**Notes to the financial statements (continued)**

**For the year ended 31 March 2022**

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*Cash and cash equivalents*

Cash and cash equivalents includes cash at bank and cash in hand and short term highly liquid investments with a short maturity of 3 months or less from the date of acquisition or opening of the deposit or similar account. Other deposits maturing in over 3 months are separated in the cash flow statement.

Current Assets include an amount under “cash at bank and in hand” which relates to bank accounts held in the name of Ambient holding funds held on behalf of third parties. A corresponding creditor balance is shown on the balance sheet.

*Leases*

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease.

*Employee benefits*

Employees are entitled, with management approval, to carry forward up to 5 days (or equivalent for part time staff) of any unused holiday entitlement at the reporting date. The annual leave year runs from 1 April to 31 March. The cost of any unused entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are payable when employment is terminated, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Charity recognises termination benefits when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or (ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy.

*Retirement benefits*

Retirement benefits to employees are provided by the following pension schemes: Social Housing Pension Scheme (SHPS) - Defined Benefit; Social Housing Pension Scheme (SHPS) - Growth Plan; Social Housing Pension Scheme (SHPS) - Defined Contribution; NHS - Defined Benefit; London Borough of Sutton and Buckinghamshire Local Government Pension Schemes (LGPS) - Defined Benefit. The SHPS Defined Contribution is the only scheme open to new employees. During the year, two employees joined the charity under TUPE regulations, these employees were registered in the London Borough of Bromley Pension Fund. Subsequently, both employees left the charity before the year end and the charity no longer has any staff members under the fund. See note 10 for more details.

The defined benefit schemes are contracted out of the State Earnings Related Pension Scheme (SERPS) and the assets are held separately from those of the Group.

Social Housing Pension Scheme - Defined Benefit, is a multi-employer defined benefit scheme. It was previously accounted for as a defined contribution scheme in accordance with FRS 102, since sufficient information regarding the scheme was not available to use defined benefit accounting. On 1 April 2018 (the “effective date”), sufficient information became available to use defined benefit accounting. The Charity has early adopted the amendments to FRS 102 (issued May 2019 and effective for accounting periods beginning on or after 1 January 2020) for multi-employer defined benefit schemes, and as such has recognised the difference between the defined benefit liability and the carrying value of its liability for the contributions payable arising from an agreement to fund a deficit at the effective date within other comprehensive income.

**Notes to the financial statements (continued)**

**For the year ended 31 March 2022**

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*Retirement benefits (continued)*

The Social Housing Pension Scheme - Growth Plan, is a multi-employer defined benefit scheme which provides benefits to c. 950 non-associated participating employers. 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 and contributions are recognised in income and expenditure in the period to which they relate.

The defined contribution Social Housing Pension Scheme that is currently open, meets the requirements for auto enrolment, and during the year, Ambient paid a 3% contribution for all eligible employees. Existing members of the defined contribution scheme at 1 December 2013 continue in the scheme with the employer contributions set at the rate agreed when they joined the scheme.

The NHS Pension Scheme is an unfunded, defined benefit scheme in which Ambient operates under a direction status given by the Secretary of State, which allows it to operate as the employing body of staff that were transferred under TUPE from the NHS in previous years. The contributions for employees and the employer are determined by the Government Actuary and are paid to the Exchequer which in turn meets the cost of paying benefits as and when they fall due. As stated in note 10 the NHS Pension Scheme is an unfunded multi-employer pension scheme operated on a pay-as-you-go basis. The NHS Pension Scheme is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS are funded schemes and the assets of the scheme are held separately from those of the Group. Pension assets are measured at fair value and the liabilities are measured on an actuarial basis using the projected unit credit method. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income included as part of staff costs are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. The net interest cost on the net defined benefit liability/asset is charged to net income and included within finance costs. Re-measurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest) are recognised immediately in other recognised gains/(losses).

The subsidiary Amber Housing does not operate any pension scheme as it does not employ any staff directly.

Note 10 gives the latest actuarial information for the Group.

*Financial instruments*

The Charity has applied the provisions of Section 11 "Basic Financial Instruments" of FRS 102, in full, to all of its financial instruments.

Financial instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities.

*Financial assets*

Basic financial assets, which include investments, are initially measured at transaction price including transaction costs and are subsequently carried at fair value.

Basic financial assets, which include trade and other debtors, amounts owed by group undertakings and accrued income, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost, being transaction price less amounts settled and less any impairment losses.

**Notes to the financial statements (continued)**

**For the year ended 31 March 2022**

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*Financial liabilities*

Basic financial liabilities, which include trade and other creditors, bank loans, other loans, amounts owed to group undertakings and accruals, are initially measured at transaction price and subsequently measured at amortised cost, being transaction price less amounts settled.

*Funds*

*Unrestricted general funds*

The general fund represents accumulated surpluses and deficits arising from the Charity's activities, which can be appropriated for any charitable purpose that is compatible with the Charity's objects. The purpose and use of the unrestricted general funds are set out in note 17.

*Unrestricted designated funds*

These comprise funds that have been set aside at the discretion of the Trustees for specific purposes. The purpose and use of the unrestricted designated funds are set out in note 17.

*Restricted funds*

These represent income given for particular purposes or income that needs to be treated as restricted through reference to the objects of the Charity, net of related expenditure.

*Judgements and key sources of estimation uncertainty*

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The cost of the LGPS defined benefit pension plans with Buckinghamshire County Council and the London Borough of Sutton, and the SHPs scheme, have been determined by full actuarial valuations to 31 March 2019. These were carried out by qualified actuaries independent of the Charity. The actuarial valuations involved making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuations, the underlying assumptions and the long-term nature of the schemes, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, the management consider the market yield of AA corporate bonds consistent with the currency and term of the defined benefit obligation. The mortality rate is based on publicly available mortality tables, which uses data for UK self-administered pension schemes and allowing for unexpected future improvements in longevity. Future salary increases and pension increases are based on expected future inflation rates as determined by the Bank of England spot rate with a consistent term of the defined benefit obligation at the valuation date. Further details are given in note 10.

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired. As a result of a review of poor performing services it was decided to close Millbank Care Home. A valuation of the property as at 31 March 2022 resulted in an impairment of the property from £2,599k to £1,495k, more detail on this can be found in note 12.

The Trustees have prepared the financial statements on a going concern basis. Due to the significant uncertainties surrounding the impact of Covid, this represents a key judgement for the year ended 31 March 2022. The Trustees have made a number of judgements in respect of future forecasts for which actual results may vary.

## Notes to the financial statements (continued)

For the year ended 31 March 2022

<b>2. INCOME FROM DONATIONS, LEGACIES AND GRANTS 2022</b>	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>Total funds £'000</b>
Donations	5	6	11
Donated goods	-	355	355
Grants	-	1,620	1,620
<b>Totals</b>	<b>5</b>	<b>1,981</b>	<b>1,986</b>

<b>INCOME FROM DONATIONS, LEGACIES AND GRANTS 2021</b>	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>Total funds £'000</b>
Donations	70	-	70
Donated goods	-	521	521
Grants	-	1,327	1,327
<b>Totals</b>	<b>70</b>	<b>1,848</b>	<b>1,918</b>

During the year the Group received government assistance in the form of grants totalling £1,620k (2021: £1,327k) for Covid Infection Control, Rapid Testing and Workforce Development and donated goods relating to personal protective equipment for use within the Group of £355k (2021: £521). There are no unfulfilled conditions or other contingencies attaching to these funds.

**3. INCOME FROM CHARITABLE ACTIVITIES**

The Group's income from charitable activities is derived from the provision of services comprising care, support and housing in England to people who are older, have a learning disability or mental health need.

The arrangements the Group has with local authorities are changing in many areas from block contract to spot contracts in line with the move to personalisation of care and support services and self directed support. The Group does have significant partnership arrangements with Buckinghamshire County Council for older people's services; Lincolnshire County Council, Norfolk County Council, Leicestershire County Council, Staffordshire County Council for Learning Disability services; and London Borough of Bromley and London Borough of Newham for Mental Health Services, in addition to many other contracts with individuals and local authorities in England. Income and expenditure in relation to these contracts is accounted for when receivable.

**4. OTHER INCOME**

During the year the Group received government grants of £71k (2021: £nil) under the UK Government Coronavirus Job Retention Scheme. There are no unfulfilled conditions or other contingencies attaching to these funds.

## Notes to the financial statements (continued)

For the year ended 31 March 2022

**5. INCOME FROM INVESTMENTS**

<b>Income from investments 2022</b>	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>Total funds £'000</b>
Interest income from short and long term bank deposits	<u>2</u>	<u>-</u>	<u>2</u>
<b>Income from investments 2021</b>	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>Total funds £'000</b>
Interest income from short and long term bank deposits	<u>9</u>	<u>-</u>	<u>9</u>

## Notes to the financial statements (continued)

For the year ended 31 March 2022

## 6. EXPENDITURE

## Total expenditure 2022

	Registered Services £'000	Supported Living £'000	Domiciliary & Community services £'000	Property & Housing £'000	Support costs * £'000	Miscellaneous £'000	Total £'000
<u>Direct Costs</u>							
Staff costs	13,320	12,330	2,270	318	2,508	-	30,746
Non-staff costs	4,115	510	147	1,467	2,067	-	8,306
SHPS and LGPS pension adjustment	85	5	-	-	(277)	-	(187)
Governance costs	72	-	-	10	99	-	181
Impairment losses	1,104	-	-	-	-	-	1,104
Other restricted fund costs	-	-	-	-	-	9	9
Other unrestricted fund costs	-	-	-	-	-	4	4
Recharged support costs	2,174	1,743	330	150	(4,397)	-	-
Total expenditure on charitable activities	20,870	14,588	2,747	1,945	-	13	40,163

\* Support costs represent corporate overheads (HR/Finance/IT/Payroll/Training/Admin) and governance costs (audit fees, legal costs, Trustees' expenses and Board related meeting costs).

The impairment of £1,104 (2021: £nil relates to a specific property and more detail on this can be found in note 12.

## Total expenditure 2021

	Registered Services £'000	Supported Living £'000	Domiciliary & Community services £'000	Property & Housing £'000	Support costs * £'000	Miscellaneous ** £'000	Total £'000
<u>Direct Costs</u>							
Staff costs	12,617	11,556	2,410	294	2,361	-	29,238
Non-staff costs	4,639	584	157	1,447	1,487	-	8,314
SHPS and LGPS pension adjustment	69	2	-	-	(292)	-	(221)
Governance costs	89	-	-	9	106	-	204
Other restricted funds	-	-	-	-	-	15	15
Other unrestricted Funds	-	-	-	-	-	12	12
Recharged support costs	1,753	1,489	282	138	(3,662)	-	-
Total expenditure on charitable activities	19,167	13,631	2,849	1,888	-	27	37,562

\* Support costs represent corporate overheads (HR/Finance/IT/Payroll/Training/Admin) and governance costs (audit fees, legal costs, Trustees' expenses and Board related meeting costs).

\*\* Miscellaneous costs represent ancillary expenditure that has been incurred and relates to Covid related donation income.

Notes to the financial statements (continued)

For the year ended 31 March 2022

**7. NET EXPENDITURE**

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Net expenditure is stated after charging:		
Depreciation of tangible fixed assets	681	601
Impairment losses on tangible fixed assets	1,104	-
Impairment losses on intangible fixed assets	285	-
Loss on disposal of tangible fixed assets	32	11
Operating lease rentals	1,756	1,769
Net interest on defined benefit pension liabilities (note 10)	87	66
Interest on bank loans measured at amortised cost	26	27
Interest on other loans measured at amortised cost	<u>35</u>	<u>49</u>

Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non audit services are as follows:

Audit services - statutory audit of parent and consolidated accounts	42	40
Audit services - prior year costs	9	4
Other services:		
Audit services - statutory audit of subsidiary of the Charity	8	8
All other non-audit services	<u>9</u>	<u>10</u>
	<u>68</u>	<u>62</u>

**8. STAFF COSTS**

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	22,192	21,779
Social security costs	1,863	1,640
Defined benefit pension costs (see note 10)	380	379
Defined contribution pension costs	621	576
Agency staff & other staff related costs	<u>5,690</u>	<u>4,864</u>
	<u>30,746</u>	<u>29,238</u>

Redundancy and compromise payments across the Group of £84k were paid during the year (2021: £14k).

Eight Ambient employees are seconded full time to Amber Housing which meets the costs in full (2021: eight employees).

The average monthly number of staff employed during the year under contracts of service was:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Senior managers and administrative staff	88	87
Care and activities staff	<u>1,092</u>	<u>1,142</u>
	<u>1,180</u>	<u>1,229</u>

The full time equivalent (FTE) number of staff would be lower as a number of staff work part-time and some casual staff

Notes to the financial statements (continued)

For the year ended 31 March 2022

8. STAFF COSTS (continued)

Employees earning more than £60,000 per annum

	2022 Number	2021 Number
£60,001 - £70,000	2	2
£80,001 - £90,000	2	2
£90,001 - £100,000	1	1
£110,001 - £120,000	<u>2</u>	<u>1</u>

Nil employees in 2022 (2021: nil) are member of the SHPS defined benefit scheme; 6 employees in 2022 (2021: 5) are members of the SHPS defined contribution scheme and nil employees in 2022 are in the NHS Pension (2021: nil). Employer pension contributions for 2022 for the above employees were £nil in the defined benefit scheme (2021: £nil); £nil in the NHS Pension (2021: £nil) and £31,345 in the defined contribution scheme (2021: £27,975).

Key management personnel

Key management personnel include the Trustees and the following posts in Ambient: Chief Executive, Director of Finance, Director of Operations & Business Development, Director of People & Culture, Director of Sales, Marketing & Communications, Chief Information Officer. In Amber Housing it is the Chief Executive Amber Housing.

The total employee benefits of the key management personnel of the Group during the year, which comprised salary, pension contributions and benefits in kind, was £665k (2021: £567k) and Employer's National Insurance of £79k (2021: £67k).

The total employee benefits of the key management personnel of the Charity during the year, which comprised salary, pension contributions and benefits in kind, was £594k (2021: £498k) and Employer's National Insurance of £71k (202: £59k).

No trustees received any remuneration during the period (2021: nil).

9. TRUSTEES' EXPENSES AND RELATED PARTY TRANSACTIONS

Travel and other out of pocket expenses were reimbursed or paid to third parties on behalf of members of the Board of Trustees for travel to Board meetings and other Charity related activities. These amounted to £10,931 in 2022 for 15 Trustees (2021: £1,481 for 10 Trustees).

Ambient has purchased £614k of facilities management services during the year (2021: £531k) from Amber Housing, a subsidiary. The following amounts are paid by Amber Housing to Ambient: a management fee of £53k per annum (2021: £53k); interest charge of £4k (2021: £6k); lease payments of nil amount (2021: £4.6k); Gardening charge of £8k (2021: £9k). During the year, Ambient made purchases on behalf of Amber Housing and paid staff on secondment to the subsidiary totalling £351k (2021: £351k). The amount owed by Amber Housing at the year end is £131k (2021: £212k) including the outstanding loan which is detailed in note 14.

Notes to the financial statements (continued)

For the year ended 31 March 2022

**10. RETIREMENT BENEFITS**

The Charity operates several pension funds for its staff and details of these are disclosed below. The employer contributions for 2022/23 are expected to be c. £923k across all pension schemes.

Contributions amounting to £162k (2021: £162k) were payable to the schemes at 31 March 2022 and are included within other creditors.

The table below shows the net pension liabilities which are shown in the Balance Sheet and are detailed in the notes that follow:

	<b>2022</b> <b>£000's</b> <b>Group and</b> <b>Charity</b>	<b>2021</b> <b>£000's</b> <b>Group and</b> <b>Charity</b>
Social Housing Pension Scheme (SHPS) (note a)	1,664	2,159
Buckinghamshire County Council - LGPS (note b)	1,316	2,152
London Borough of Sutton - LGPS (note c)	-	131
Total liability	<u>2,980</u>	<u>4,442</u>

**a) Social Housing Pension Scheme (SHPS) – Defined Benefit**

Ambient participated in the Social Housing Pension Scheme (SHPS) which is a multi-employer defined benefit scheme up to 31 March 2016 at which time it was closed and the remaining 6 active employees were transferred to the SHPS defined contribution scheme on terms agreed as part of a consultation process. The SHPS is a funded multi-employer defined benefit pension scheme, with assets held in separate trustee administered funds. The total contribution made for the year ended 31 March 2022 was £331k (2021: £325k), of which employer's contributions totalled £331k (2021: £325k) and employees' contributions totalled £nil (2021: £nil).

## Notes to the financial statements (continued)

## For the year ended 31 March 2022

## 10. RETIREMENT BENEFITS (continued)

The latest full actuarial valuation was carried out as at 30 September 2020.

## Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 30 September 2020 updated to 31 March 2022 by a qualified independent actuary:

	2022 %	2021 %
Rate of increase in salaries	4.2	3.9
Rate of increase for pensions in payment	4.2	3.9
Discount rate for scheme liabilities	2.8	2.1
Inflation assumption (CPI)	3.2	2.9
Inflation assumption (RPI)	3.6	3.3

The assumed life expectations on retirement age 65 are:

	2022 Years	2021 Years
<i>Retiring today</i>		
Males	21.1	21.6
Females	23.7	23.5
<i>Retiring in 20 years</i>		
Males	22.4	22.9
Females	25.2	25.1

The Charity's share of the assets in the scheme:

	Fair value of assets	
	2022 £'000	2021 £'000
Equities	5,151	4,570
Property	549	422
Alternative assets	344	393
Hedge funds	-	1
Absolute return portfolio	418	576
Other	3,957	4,482
Total fair value of assets	<u>10,419</u>	<u>10,444</u>

Amounts recognised in the Statement of Financial Activities:

	2022 £'000	2021 £'000
Net interest cost	43	22
Administration expenses	11	11
Total charge	<u>54</u>	<u>33</u>

## Notes to the financial statements (continued)

For the year ended 31 March 2022

## 10. RETIREMENT BENEFITS (continued)

Amounts recognised in other recognised gains and losses:	2022 £'000	2021 £'000
Return on plan assets in excess of interest	(226)	779
Change in demographic assumptions	201	(47)
Change in financial assumptions	827	(2,330)
Experience (loss)/gain on defined benefit obligation	(584)	195
Total other recognised gain/(loss)	<u>218</u>	<u>(1,403)</u>
<b>Changes in the present value of defined benefit obligations:</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
At 1 April	12,603	10,551
Administration expenses	11	11
Interest cost	266	248
Actuarial (loss)/gain	(444)	2,182
Benefits paid	<u>(353)</u>	<u>(389)</u>
At 31 March	<u>12,083</u>	<u>12,603</u>
<b>Changes in the fair value of Charity's share of scheme assets:</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
At 1 April	10,444	9,503
Interest income	223	226
Return on plan assets (excluding net interest on the net defined pension liability)	(226)	779
Employer contributions	331	325
Benefits paid	<u>(353)</u>	<u>(389)</u>
At 31 March	<u>10,419</u>	<u>10,444</u>

The total loss on scheme assets was £3k (2021: return of £1,005k).

## b) Buckinghamshire County Council - LGPS

Staff who transferred from Buckinghamshire County Council to become employees of the Charity were admitted to the Buckinghamshire County Council Pension Fund ("the Fund"), a defined benefit scheme, which is administered by Buckinghamshire County Council under the regulations governing the Local Government Pension Scheme (LGPS). The LGPS is a funded defined benefit scheme, with assets held in separate trustee administered funds. The total contribution made for the year ended 31 March 2022 was £51k (2021: £57k), of which employer's contributions totalled £42k (2021: £47k) and employees' contributions totalled £9k (2021: £10k). The agreed contribution rates for the future years are 26.8% for employers and between 5.5% to 6.5% for employees.

The latest full actuarial valuation was carried out as at 31 March 2019, with the next due to be published in 2023.

Notes to the financial statements (continued)

For the year ended 31 March 2022

10. RETIREMENT BENEFITS (continued)

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March

	2022 %	2021 %
Rate of increase in salaries	4.3	3.9
Rate of increase for pensions in payment	3.3	2.9
Discount rate for scheme liabilities	2.6	2.0
Inflation assumption (CPI)	3.3	2.9

The assumed life expectations on retirement age 65 are:

	2022 Years	2021 Years
<i>Retiring today</i>		
Males	21.6	21.6
Females	25.0	25.0
<i>Retiring in 20 years</i>		
Males	23.0	22.9
Females	26.5	26.4

The Charity's share of the assets in the scheme:

	Fair value of assets	
	2022 £'000	2021 £'000
Gilts	915	813
Equities	4,990	5,273
Other bonds	1,264	1,310
Property	578	527
Cash	316	128
Alternative assets	279	111
Hedge funds	-	423
Absolute return portfolio	-	396
Multi assets	852	-
Private debt	54	-
Total fair value of assets	<u>9,248</u>	<u>8,981</u>

Based on the above allocation, Ambient's share of the assets of the fund is less than 1%.

Amounts recognised in the Statement of Financial Activities:

	2022 £'000	2021 £'000
Current service cost	79	66
Net interest cost	41	43
Administration expenses	7	7
Total charge	<u>127</u>	<u>116</u>

## Notes to the financial statements (continued)

For the year ended 31 March 2022

## 10. RETIREMENT BENEFITS (continued)

Amounts recognised in other recognised gains and losses:	2022 £'000	2021 £'000
Return on plan assets in excess of interest	453	1,581
Change in demographic assumptions	-	101
Change in financial assumptions	491	(2,066)
Experience (loss)/gain on defined benefit obligation	(23)	125
Total other recognised gain/(loss)	<u>921</u>	<u>(259)</u>
<b>Changes in the present value of defined benefit obligations:</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
At 1 April	11,133	9,346
Current service cost	79	66
Interest cost	213	216
Employee contributions	9	10
Change in demographic assumptions	-	(101)
Change in Financial assumptions	(491)	2,066
Experience gain/(loss) on defined benefit obligation	23	(125)
Benefits paid	(402)	(345)
At 31 March	<u>10,564</u>	<u>11,133</u>
<b>Changes in the fair value of Charity's share of scheme assets:</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
At 1 April	8,981	7,522
Interest income	172	173
Return on plan assets (excluding net interest on the net defined pension liability)	453	1,581
Administration expenses	(7)	(7)
Employer contributions	42	47
Employee contributions	9	10
Benefits paid	(402)	(345)
At 31 March	<u>9,248</u>	<u>8,981</u>

**10. RETIREMENT BENEFITS (continued)**

The total return on scheme assets was £625k (2021: £1,754k).

A requirement of the Local Government Pension Scheme is for transferee admitted bodies to obtain an indemnity bond to protect the fund should the contract terminate early leaving a funding deficit or pension strain cost. This is required by the Administering Authority of Buckinghamshire LGPS from Ambient. An indemnity bond meeting the requirements has been arranged by Ambient with Barclays Bank PLC for £688k who has a legal charge over a credit balance of the same amount held in a separate interest earning account with the bank in the name of Ambient Support Limited. This account is ring fenced money not accessible to Ambient. The value of £688k is shown within the current asset investments on the Balance Sheet as at 31 March 2022 (2021: £688k).

**c) London Borough of Sutton – LGPS**

With effect from 1 April 2013, Community Options (now part of Ambient) became an admitted body to the London Borough of Sutton pension scheme when a transfer of staff under TUPE applied for a contract to provide services at Hillcroombe Road. The scheme has one active employee, four pensioners and four deferred pensioners. The LGPS is a funded defined benefit pension scheme, with assets held in separate trustee administered funds. The total contribution made for the year ended 31 March 2022 was £8k (2021: £8k), of which employer's contributions totalled £7k (2021: £7k) and employees' contributions totalled £1k (2021: £1k). The agreed contribution rates for the future years are 21.8% for employers and 6.5% for employees.

The actuarial valuation for the London Borough of Sutton scheme showed a defined benefit plan asset as at 31 March 2022. Under FRS 102, if the plan has a surplus at the reporting date, this should be recognised only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. As the scheme does not meet these criteria, the surplus has been restricted to show net balance of £nil at the year end and this has been shown as a reduction in the actuarial gain on the present value of the defined benefit obligations of the scheme.

The latest full actuarial valuation was carried out as at 31 March 2019, with the next due to be published in 2023.

**Principal actuarial assumptions**

The following information is based upon a full actuarial valuation of the fund at 31 March 2019 updated to 31 March 2022 by a qualified independent actuary:

	<b>2022</b>	<b>2021</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	4.2	3.9
Rate of increase for pensions in payment	3.2	2.9
Discount rate for scheme liabilities	2.7	2.0
Inflation assumption (CPI)	3.2	2.9
The assumed life expectations on retirement age 65 are:	<b>2022</b>	<b>2021</b>
	<b>Years</b>	<b>Years</b>
<i>Retiring today</i>		
Males	21.4	21.6
Females	24.1	24.3
<i>Retiring in 20 years</i>		
Males	22.9	22.9
Females	25.8	25.7

Notes to the financial statements (continued)

For the year ended 31 March 2022

10. RETIREMENT BENEFITS (continued)

The Charity's share of the assets in the scheme:

	Fair value of assets	
	2022 £'000	2021 £'000
Equities	915	978
Gilts and bonds	450	349
Property	177	149
Cash	64	41
Total fair value of assets	<u>1,606</u>	<u>1,517</u>

Based on the above allocation, Ambient's share of the assets of the fund is less than 1%.

Amounts recognised in the Statement of Financial Activities:

	2022 £000's	2021 £000's
Current service cost	9	6
Net interest cost	3	1
Administration expenses	-	2
	<u>12</u>	<u>9</u>

Amounts recognised in other recognised gains and losses:

	2022 £000's	2021 £000's
Return on plan assets in excess of interest	77	289
Change in demographic assumptions	(2)	13
Change in financial assumptions	101	(401)
Experience (loss)/gain on defined benefit obligation	(4)	18
Other actuarial loss	(36)	-
Total other recognised gain/(loss)	<u>136</u>	<u>(81)</u>

Changes in the present value of defined benefit obligations:

	2022 £000's	2021 £000's
At 1 April	1,648	1,267
Current service cost	9	6
Interest cost	33	29
Employee contributions	1	1
Actuarial (loss)/gain	(59)	370
Benefits paid	(26)	(25)
At 31 March	<u>1,606</u>	<u>1,648</u>

Notes to the financial statements (continued)

For the year ended 31 March 2022

10. RETIREMENT BENEFITS (continued)

Changes in the fair value of Charity's share of scheme assets:	2022 £000's	2021 £000's
At 1 April	1,517	1,219
Interest income	30	28
Return on plan assets (excluding net interest on the net defined pension liability)	77	289
Administration expenses	-	(2)
Employer contributions	7	7
Employee contributions	1	1
Benefits paid	(26)	(25)
At 31 March	<u>1,606</u>	<u>1,517</u>

The total return on scheme assets was £107k (2021: £317k).

d) SHPS - Growth Plan

The growth plan is a registered occupational defined contribution pension scheme. It was established in 1946 as a general fund, and it has evolved to take into account changes in the law and economic circumstances. There are now four different series within the one scheme known as the Growth Plan, and it is closed to new employers. The Growth Plan Series 3 has been determined by legislation to be a defined benefit scheme. 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 treatment of the Series 3 employer debt was reviewed under the Pensions Act 2011 and the Series 3 Growth Plan does create a liability for the employer if they cease to participate in the Plan or the Plan is wound up. A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. The level of funding has required a recovery plan to be put into place, and this aims to eliminate the deficit via a combination of additional contributions from employers and investment returns for the next year. The contributions agreed by Ambient under the recovery plan for the year from 1 April 2022 will be £933 (2021: £2,942) with total recovery plan contributions due of £2,561 (2021: £11,626).

e) Pension Scheme under NHS Directives

Staff that have transferred into Ambient employment as members of the NHS Pension Scheme, which is a statutory scheme with benefits guaranteed by law and paid for from the Exchequer, have had their pension protected under TUPE. The NHS Pension is a notional fund rather than a real one. Each year employees' and employer's contributions are notionally invested in government stocks recommended by the Government Actuary. This is an unfunded scheme and there can be no deficit or surplus to allocate on the wind up of the scheme or withdrawal from the scheme. The Charity has no liability for other employers in this scheme and the scheme operates on a pay as you go basis so there is no liability to recognise in respect of past service deficits.

The employer's pension costs charged to the Statement of Financial Activities during the year amounted to £75k (2021: £77k).

Notes to the financial statements (continued)

For the year ended 31 March 2022

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**10. RETIREMENT BENEFITS (continued)**

**f) Defined contribution pension scheme**

The Group operates a defined contribution pension scheme for all new qualifying employees. The assets of the scheme are held separately from those of the Group in an independently administered fund run by The Pensions Trust - SHPS. It is used to administer all the auto enrolment pension requirements. The employer's pension costs charged to the Statement of Financial Activities during the year amounted to £638k (2021: £501k).

**g) London Borough of Bromley Pension Fund**

During the year, two employees joined the charity under TUPE regulations, these employees were registered in the London Borough of Bromley Pension Fund. Subsequently, both employees left the charity before the year end and the charity no longer has any staff members under the fund. The charity has recognised a charge in the Statement of Financial Activities of £9,150 in relation to a final termination payment and related professional fees to exit the scheme.

## Notes to the financial statements (continued)

For the year ended 31 March 2022

## 11. INTANGIBLE FIXED ASSETS

## Group and Charity

	Enterprise Care System £'000
<b>Cost</b>	
At 1 April 2021	417
Additions	458
At 31 March 2022	875
<b>Amortisation and impairment</b>	
At 1 April 2021	-
Impairment losses	285
At 31 March 2022	285
<b>Net book value</b>	
At 31 March 2022	590
At 31 March 2021	417

Included within Enterprise Care System are £590k (2021: £417k) of assets currently under construction.

Impairment losses of £285k relate to two modules of the Enterprise Care System, that were subsequently superseded by new system options.

## 12. TANGIBLE FIXED ASSETS

## Group

	Freehold Land & Buildings £'000	Leasehold Property Alterations £'000	Furniture Fittings & Equipment £'000	Computer Equipment £'000	Vehicles £'000	Total £'000
<b>Cost</b>						
At 1 April 2021	9,488	2,999	1,533	1,714	202	15,936
Additions	-	234	215	38	-	487
Disposals	-	(32)	(28)	(450)	(30)	(540)
At 31 March 2022	9,488	3,201	1,720	1,302	172	15,883
<b>Depreciation</b>						
At 1 April 2021	1,185	1,785	1,132	1,296	195	5,593
Charge for the year	171	179	196	129	6	681
Impairment losses	1,104	-	-	-	-	1,104
Disposals	-	(1)	(28)	(450)	(29)	(508)
At 31 March 2022	2,460	1,963	1,300	975	172	6,870
<b>Net book value</b>						
At 31 March 2022	7,028	1,238	420	327	-	9,013
At 31 March 2021	8,303	1,214	401	418	7	10,343

Details of assets pledged as security for liabilities are disclosed in note 16.

## Notes to the financial statements (continued)

For the year ended 31 March 2022

## Charity

	Freehold Land & Buildings £'000	Leasehold Property Alterations £'000	Furniture Fittings & Equipment £'000	Computer Equipment £'000	Vehicles £'000	Total £'000
<b>Cost</b>						
At 1 April 2021	8,166	2,943	1,757	1,710	202	14,778
Additions	-	194	177	38	-	409
Disposals	-	(32)	(28)	(450)	(30)	(540)
At 31 March 2022	8,166	3,105	1,906	1,298	172	14,647
<b>Depreciation</b>						
At 1 April 2021	1,020	1,771	1,388	1,293	195	5,667
Charge for the year	150	173	184	128	6	641
Impairment losses	1,104	-	-	-	-	1,104
Disposals	-	(1)	(28)	(450)	(29)	(508)
At 31 March 2022	2,274	1,943	1,544	971	172	6,904
<b>Net book value</b>						
At 31 March 2022	<b>5,892</b>	<b>1,162</b>	<b>362</b>	<b>327</b>	<b>-</b>	<b>7,743</b>
At 31 March 2021	7,146	1,172	369	417	7	9,111

Freehold land & buildings includes land of £667k (2021: £667k) for the Charity and £972k (2021: £972k) for the Group. The land value has been calculated based on "deemed cost" under FRS102.

Included within computer equipment are £30k (2021: £172k) and within Property Alterations £1,122k (2021: £109k) of assets currently under construction within the Charity and Group.

In July 2021, the Board of Ambient Support decided to formally consider divestment out of poorly performing Older People's bedded services. Millbank Care Home was one such service, and after re-opening in 2012 following its redevelopment and refurbishment (which increased the number of bedrooms), it had not produced the financial returns envisaged. As a result, a business case and Board paper proposing the closure of the home was approved by the Board in December 2021, and the home was closed post-year end, in July 2022.

After considering the disposal options, the business case agreed by the Board was for the open market sale of the property. Commercial Property Agents were asked to value the property, and it became clear that the property was likely worth less than the net book value shown in the accounts. The property value at 31 March 2022 was estimated to be £1,495k, whereas the net book value at the same date was £2,599k. Even though the completed sale of the property may be some way off, and we may end up achieving a sale price with the right buyer significantly higher than the current valuation, we have prudently recognised and accounted for this potential impairment in value at 31 March 2022, of £1,104k.

Once the property is sold, any profit on sale, or any further loss on sale, will be recognised in the accounts at that time.

Notes to the financial statements (continued)

For the year ended 31 March 2022

**13. SUBSIDIARY UNDERTAKINGS**

Ambient Support Limited owns 100% of Amber Housing Limited, a Co-operative and Community Benefit Society (company number IP30052R). It has charitable exemptions and is part of the same VAT group as Ambient Support Limited. It has the same Registered Office address as Ambient Support Limited (see page 2).

Amber Housing Limited provides accommodation to people who are disadvantaged, and facilities management and other housing services on property owned or leased by the Group and for some other external landlords.

The net assets and results of Amber Housing Limited are as follows:

	2022 £'000	2021 £'000
Aggregate assets as at 31 March	2,087	2,116
Aggregate liabilities as at 31 March	(477)	(562)
Funds as at 31 March	1,610	1,554
Income for the year ended 31 March	1,916	1,875
Expenditure for the year ended 31 March	(1,860)	(1,822)
Surplus for the year ended 31 March	56	53

Amber Housing Ventures Limited was incorporated as a subsidiary of Ambient Support Limited in 2019/20. This subsidiary has not traded since incorporation.

**14. DEBTORS**

**AMOUNTS RECEIVABLE WITHIN ONE YEAR**

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade debtors	984	1,103	889	982
Amounts owed by group undertakings	-	-	131	129
Other debtors	35	42	35	41
Prepayments and accrued income	1,183	923	1,177	912
	2,202	2,068	2,232	2,064

**AMOUNTS RECEIVABLE AFTER ONE YEAR**

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Amounts owed by group undertakings	-	-	-	96

Ambient financed the start-up of its subsidiary, Amber Housing, and transferred two properties to it at cost, which they now lease to people with a Learning Disability. There is an agreement that covers the basis of the arrangement. The value of the loan outstanding to Ambient is secured with a charge over these properties, and loan interest is paid on the value outstanding at a rate of 2% above Bank of England base rate. Each year the Trustees of Ambient review the terms of the loan, and have agreed with the Board of Amber Housing that the loan will be repaid over 10 years at £46k per year starting in 2013/14. An additional loan of £250k was made to Amber Housing to assist them with the purchase of 2 more properties, which are now leased out to people with learning disabilities. The total balance outstanding of £96k (2021: £192k) will be repaid in one year.

## Notes to the financial statements (continued)

For the year ended 31 March 2022

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Bank loan	49	52	49	52
Other loans	81	76	81	76
Trade Creditors	1,132	985	990	840
Amounts owed to group undertakings	-	-	7	13
Taxation and social security	440	440	439	441
Other creditors	1,715	1,574	1,709	1,561
Accruals and deferred income	3,092	2,201	2,895	2,023
	<u>6,509</u>	<u>5,328</u>	<u>6,170</u>	<u>5,006</u>

Included within other creditors are amounts of £1,279k (2021: £1,074k) relating to cash which is held on behalf of residents.

The deferred income represents the value of income invoiced or payments received relating to services yet to be provided.

Analysis of movement in deferred income:

	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Brought forward	183	308	183	308
Released from previous periods	(183)	(308)	(183)	(308)
Deferred in the current year	680	183	672	183
Carried forward	<u>680</u>	<u>183</u>	<u>672</u>	<u>183</u>

**16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Bank Loan	901	950	901	950
Other Loans	563	644	563	644
Other creditors	258	411	258	411
	<u>1,722</u>	<u>2,005</u>	<u>1,722</u>	<u>2,005</u>

	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Included in creditors are:				
Amounts repayable by instalments falling due after five years	<u>867</u>	<u>1,015</u>	<u>867</u>	<u>1,015</u>

In accordance with the contract with Buckinghamshire County Council a sum of £5.3 million was paid to Ambient in July 2005 to cover the cost of the protected pay for staff transferred on Bucks County Council terms for the life of the contract. The contract length is 30 years, and the formula used for calculation assumes staff turnover and price escalations to estimate a sum transferable to incoming resources under registered services for each year. The sum of £436k shown at present value should be sufficient to meet the obligations as they fall due. Of this balance £177k (2021: £221k) is included within creditors due within one year.

## Notes to the financial statements (continued)

For the year ended 31 March 2022

**16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)**

The outstanding balance as at 31 March 2022 from the bank loan of £1.3 million with the Charity Bank is £950k (2021: £1,002k). The loan is for a term of 25 years, was at a fixed interest rate of 6.5% which was reviewed by the Trustees and moved to a lower variable rate from 01/11/2016 of 2.5% above base rate, and security has been given in the form of a charge over the two properties located at the site; namely 20 Chilwell Road and 1 Devonshire Avenue. The properties have been revalued by the bank during 2016-17 year, and the loan outstanding represents less than 50% of the value of the assets over which it has a charge and the amount falling due in more than one year is £901k (2021: £950k). In 2022/23 an amount of 83k (2021: £77k) is payable of which £34k (2021: £25k) is the interest charge.

There is a long term commitment with Riverside ECHG in connection with St Audrey's, a care home for frail elders located in Hertfordshire, which covers the cost of works undertaken as part of a capital leasehold improvement and as part of the lease agreement these improvement works are secured as a loan. The balance of £644k is outstanding as at 31 March 2022 (2021: £721k). The balances have been included within the creditors notes above. This agreement requires annual payments, including interest, of £121k (2021: £121k) until October 2028. The capital value due within one year is £81k (2021: £76k).

**17. FUNDS**

Group	As at 1 April 2021 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	As at 31 March 2022 £'000
General	13,868	37,547	(38,361)	-	-	13,054
Pension - BCC LGPS	(2,152)	-	(85)	921	-	(1,316)
Pension - SHPS	(2,159)	-	277	218	-	(1,664)
Pension - Sutton	(131)	-	(5)	136	-	-
<b>Designated funds</b>						
Ambient - Devonshire	-	-	-	-	-	-
Amber Housing - Property Fund	156	-	(5)	-	-	151
<b>Total unrestricted funds</b>	<u>9,582</u>	<u>37,547</u>	<u>(38,179)</u>	<u>1,275</u>	<u>-</u>	<u>10,225</u>
<b>Restricted funds</b>						
Reserves of Ambient	75	1,981	(1,984)	-	-	72
<b>Total restricted funds</b>	<u>75</u>	<u>1,981</u>	<u>(1,984)</u>	<u>-</u>	<u>-</u>	<u>72</u>
<b>Total funds</b>	<u><u>9,657</u></u>	<u><u>39,528</u></u>	<u><u>(40,163)</u></u>	<u><u>1,275</u></u>	<u><u>-</u></u>	<u><u>10,297</u></u>

The unrestricted general fund represents funds of the Group which are not designated for particular purposes.

The designated funds of £151k relates to Amber Housing and is to be used to meet the liabilities expected on their properties in the coming years.

The restricted funds for Ambient comprise various donations that have been received with reference to different services that we provide for use at that service. It is intended that these monies will be spent during the year for the direct benefit of those services.

## Notes to the financial statements (continued)

For the year ended 31 March 2022

Charity	As at 1 April 2021 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	As at 31 March 2022 £'000
<b>Unrestricted funds</b>						
General	12,469	36,334	(37,207)	-	-	11,596
Pension - BCC LGPS	(2,152)	-	(85)	921	-	(1,316)
Pension - SHPS	(2,159)	-	277	218	-	(1,664)
Pension - Sutton	(131)	-	(5)	136	-	-
Designated Funds	-	-	-	-	-	-
<b>Total unrestricted funds</b>	<u>8,027</u>	<u>36,334</u>	<u>(37,020)</u>	<u>1,275</u>	<u>-</u>	<u>8,616</u>
<b>Restricted funds</b>						
Donations for services	<u>75</u>	<u>1,981</u>	<u>(1,984)</u>	<u>-</u>	<u>-</u>	<u>72</u>
<b>Total restricted funds</b>	<u>75</u>	<u>1,981</u>	<u>(1,984)</u>	<u>-</u>	<u>-</u>	<u>72</u>
<b>Total funds</b>	<u><u>8,102</u></u>	<u><u>38,315</u></u>	<u><u>(39,004)</u></u>	<u><u>1,275</u></u>	<u><u>-</u></u>	<u><u>8,688</u></u>

## Notes to the financial statements (continued)

For the year ended 31 March 2022

## 17. FUNDS (continued)

## Group - prior year

	As at 1 April 2020 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers	As at 31 March 2021 £'000
<b>Unrestricted funds</b>						
General	14,683	35,090	(35,912)	-	7	13,868
Pension - BCC LGPS	(1,824)	-	(69)	(259)	-	(2,152)
Pension - SHPS	(1,048)	-	292	(1,403)	-	(2,159)
Pension - Sutton	(48)	-	(2)	(81)	-	(131)
<b>Designated funds</b>						
Ambient - Devonshire	11	-	(4)	-	(7)	-
Amber Housing - Property Fund	159	-	(3)	-	-	156
<b>Total unrestricted funds</b>	<u>11,933</u>	<u>35,090</u>	<u>(35,698)</u>	<u>(1,743)</u>	<u>-</u>	<u>9,582</u>
<b>Restricted funds</b>						
Reserves of Ambient	91	1,848	(1,864)	-	-	75
<b>Total restricted funds</b>	<u>91</u>	<u>1,848</u>	<u>(1,864)</u>	<u>-</u>	<u>-</u>	<u>75</u>
<b>Total funds</b>	<u><u>12,024</u></u>	<u><u>36,938</u></u>	<u><u>(37,562)</u></u>	<u><u>(1,743)</u></u>	<u><u>-</u></u>	<u><u>9,657</u></u>

## Charity - prior year

	As at 1 April 2020 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	As at 31 March 2021 £'000
<b>Unrestricted funds</b>						
General	13,341	33,856	(34,735)	-	7	12,469
Pension - BCC LGPS	(1,824)	-	(69)	(259)	-	(2,152)
Pension - SHPS	(1,048)	-	292	(1,403)	-	(2,159)
Pension - Sutton	(48)	-	(2)	(81)	-	(131)
Designated Funds	11	-	(4)	-	(7)	-
<b>Total unrestricted funds</b>	<u>10,432</u>	<u>33,856</u>	<u>(34,518)</u>	<u>(1,743)</u>	<u>-</u>	<u>8,027</u>
<b>Restricted funds</b>						
Donations for services	91	1,848	(1,864)	-	-	75
<b>Total restricted funds</b>	<u>91</u>	<u>1,848</u>	<u>(1,864)</u>	<u>-</u>	<u>-</u>	<u>75</u>
<b>Total funds</b>	<u><u>10,523</u></u>	<u><u>35,704</u></u>	<u><u>(36,382)</u></u>	<u><u>(1,743)</u></u>	<u><u>-</u></u>	<u><u>8,102</u></u>

## Notes to the financial statements (continued)

For the year ended 31 March 2022

## 18. ANALYSIS OF NET ASSETS BETWEEN THE FUNDS

Group	Unrestricted general funds £'000	Designated funds £'000	Restricted funds £'000	Total funds £'000
Fixed assets	9,603	-	-	9,603
Current assets	11,682	151	72	11,905
Current liabilities	(6,509)	-	-	(6,509)
Non-current liabilities	(1,722)	-	-	(1,722)
Pension scheme liability	(2,980)	-	-	(2,980)
Net assets at 31 March 2022	10,074	151	72	10,297

  

Charity	Unrestricted general funds £'000	Designated funds £'000	Restricted funds £'000	Total funds £'000
Fixed assets	8,333	-	-	8,333
Current assets	11,155	-	72	11,227
Current liabilities	(6,170)	-	-	(6,170)
Non-current liabilities	(1,722)	-	-	(1,722)
Pension scheme liability	(2,980)	-	-	(2,980)
Net assets at 31 March 2022	8,616	-	72	8,688

  

Group Prior year	Unrestricted general funds £'000	Designated funds £'000	Restricted funds £'000	Total funds £'000
Fixed assets	10,760	-	-	10,760
Current assets	10,441	156	75	10,672
Current liabilities	(5,328)	-	-	(5,328)
Non-current liabilities	(2,005)	-	-	(2,005)
Pension scheme liability	(4,442)	-	-	(4,442)
Net assets at 31 March 2021	9,426	156	75	9,657

  

Charity Prior year	Unrestricted general funds £'000	Designated funds £'000	Restricted funds £'000	Total funds £'000
Fixed assets	9,528	-	-	9,528
Current assets	9,952	-	75	10,027
Current liabilities	(5,006)	-	-	(5,006)
Non-current liabilities	(2,005)	-	-	(2,005)
Pension scheme liability	(4,442)	-	-	(4,442)
Net assets at 31 March 2021	8,027	-	75	8,102

## Notes to the financial statements (continued)

For the year ended 31 March 2022

**19a. RECONCILIATION OF NET INCOME TO NET CASH FROM OPERATIONS**

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Net expenditure	(635)	(624)
Adjustments for:		
Depreciation of tangible fixed assets	681	601
Impairment losses on intangible fixed assets	285	-
Impairment losses on tangible fixed assets	1,104	-
Investment Income	(2)	(9)
Interest Payable	60	76
Loss on disposal of tangible fixed assets	32	11
Defined benefit pension schemes	(187)	(221)
Operating cash flows before movements in working capital	<u>1,338</u>	<u>(166)</u>
(Increase)/decrease in trade and other debtors	(133)	(71)
Increase/(decrease) in trade and other creditors	<u>1,026</u>	<u>(276)</u>
Cash from operations	<u><u>2,231</u></u>	<u><u>(513)</u></u>
<b>CASH AND CASH EQUIVALENTS</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Cash at bank and in hand	8,965	1,916
Current asset investments	<u>738</u>	<u>6,688</u>
Total per Balance Sheet	<u>9,703</u>	<u>8,604</u>
Less: Deposits maturing in more than 3 months	<u>(738)</u>	<u>(688)</u>
Cash and cash equivalents in the Statement of Cash Flows	<u><u>8,965</u></u>	<u><u>7,916</u></u>

Total of cash and cash equivalents and current asset investments shown on the Balance Sheet includes: the bond for Ambient with Buckinghamshire County Council LGPS of £688k and with Bromley Council LGPS of £50k (2021: £688k). It is held in notice accounts maturing in more than 3 months and are excluded from cash balances shown in the Statement of Cash Flows.

**19b. ANALYSIS OF CHANGES IN NET DEBT**

	<b>At April 1 2021</b>	<b>Cash Flow</b>	<b>Other non-cash movements</b>	<b>At 31 March 2022</b>
Cash at bank and in hand	<u>1,916</u>	<u>1,049</u>	<u>6,000</u>	<u>8,965</u>
Bank Loans	(52)	83	(80)	(49)
Other Loans	<u>(76)</u>	<u>121</u>	<u>(126)</u>	<u>(81)</u>
Debt Due within 1 Year	<u>(128)</u>	<u>204</u>	<u>(206)</u>	<u>(130)</u>
Bank Loans	(950)	-	49	(901)
Other loans	<u>(644)</u>	<u>-</u>	<u>81</u>	<u>(563)</u>
Debt due after 1 year	<u>(1,594)</u>	<u>-</u>	<u>130</u>	<u>(1,464)</u>
Total Net Debt	<u><u>194</u></u>	<u><u>1,253</u></u>	<u><u>5,924</u></u>	<u><u>7,371</u></u>

## Notes to the financial statements (continued)

For the year ended 31 March 2022

**20. COMMITMENTS UNDER OPERATING LEASES**

The total future minimum lease payments under non-cancellable operating leases which all relate to property related agreements are as follows:

<b>Group</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
In less than 1 year	1,324	1,363
In 2 - 5 years	3,276	3,272
Over 5 years	6,352	6,774
	<u>10,952</u>	<u>11,409</u>
<b>Charity</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
In less than 1 year	923	911
In 2 - 5 years	3,188	3,231
Over 5 years	5,931	6,774
	<u>10,042</u>	<u>10,916</u>

**21. CAPITAL COMMITMENTS**

Capital expenditure that had been contracted for at the balance sheet date but that has not been provided for in these financial statements is £206k (2021: £414k).