

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 2024

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Ambient Support Limited

Charity and Trustee Information

For the year ended 31 March 2024

Status	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.	
Governing document	The Charity is governed under its Articles of Association last updated on 15 July 2020.	
Company number	07211819	
Charity number	1135353	
Registered office and operational address	Unit 9, Bourne Court Unity Trading Estate Southend Road Woodford Green Essex IG8 8HD	
Trustees	David Brindle Margaret Lally Homiyar Wykes Alan Bates Valerie Bennett Samantha Dunlop Nigel Fletcher Pamela Harding Richard Jones Iain O'Neil Karen Proctor Lorraine Reynolds Hari Kumar Shounghur Richard Smallwood Andrew Tunks Angela Gibbs Read Baurtally	Chair Deputy Chair (Retired 28 March 2024) Treasurer (Resigned 29 February 2024) (Resigned 10 March 2024) (Appointed 22 June 2023) (Retired 3 January 2024) (Appointed 22 June 2023) (Resigned 29 February 2024) (Retired 28 March 2024) (Resigned 7 November 2023) (Resigned 29 February 2024) (Appointed 13 December 2023) (Appointed 26 September 2024) (Appointed 12 December 2024)
Senior Officers:		
Chief Executive and Secretary	Mark Milton	
Director of Finance	Roy Quiddington	(Resigned 12 June 2023)
Director of Operations	Naomi Atkinson	(Appointed 2 May 2023)
Director of People & Culture	Sarah Daniel	
Director of Business Development & Communications	Davina Sellick	
Chief Finance Officer	Claudette Marcano	(Appointed 2 September 2024)
Chief Information Officer	Lee Hodgson	
Chief Executive and Secretary of Amber Housing Limited	Troy Henshall	

Bankers

Barclays Bank PLC
Level 28
1 Churchill Place
London
E14 5HP

Charity Bank Limited
Fosse House
182 High Street
Tonbridge
TN9 1BE

Solicitors

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

Statutory Auditor

RSM UK Audit LLP
25 Farringdon Street
London
EC4A 4AB

Introduction

The Trustees of Ambient Limited are pleased to present their report and consolidated audited financial statements for the year ended 31 March 2024 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

The last year was a challenging period in which we reviewed the operational and corporate staffing structures and our over reliance on agency staff in some areas. We needed to address the deficit of the previous year and secure the ongoing financial viability of the Group, whilst still maintaining delivery of services that met the quality standard expected and put at the centre the needs of the People we Support and our own workforce. The Executive team and Trustees worked closely together to secure the loan facility from the Charity Bank, and we needed to have difficult conversations about some of the decisions required to alleviate the pressure of services not contributing positively to the financial position. We continued to introduce the new integrated systems together with the retirement of legacy systems as this was planned to bring operational efficiencies going forward. We have a reduced deficit compared to the previous year, and based on our plans for 24/25 expect to return to a surplus position as all the actions taken in 23/24 start to deliver the savings expected.

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 Group is presented quarterly to the Board and they compare the performance of the Group against the required metrics across not only finance but health & safety, quality, occupancy and training.

Some key achievements during the year were as follows:

- Successful restructure of the operational support teams to ensure greater focus on meeting the needs of the people we support and sufficient management time for supervision and oversight.
- Completion of the approval and award of a loan facility with the Charity Bank.
- Retention of the London Borough of Bromley mental health services.
- Continued introduction and operation of the digital transformation of services.

Case Study

Person we support: Julie is a sociable young lady with a learning disability that lives in a supported living service in Lincolnshire. As a result of her complex medical conditions, Julie had a limb amputation as a young child but this has not stopped Julie's zest for life and desire to get involved to experience the most out of life.

Julie's passion for new experiences means she is the personification of enthusiasm in everything she takes part in. Supported by Ambient, Julie was given the chance to become an Ambient Guardian. The Guardians are Ambient's Award Winning Involvement & Co-production experts by experience and form an integral part of the charities Quality team.

Julie undertook Quality Checker training with gusto and soon became a proficient and motivated member of the Quality Checkers team. In November 2022 she was invited to join colleagues from the Guardians and represent both those with a learning disability and Ambient at the National Care Forum Conference in London. With coaching from Ambient's Involvement Lead, Julie was able to stand up and speak to over 300 attendees at the conference unscripted saying:

"It is very important to listen to service users and find out how people speak... It is important that service users are able to say when something isn't right or they are upset about something and that staff do something about it." She also informed the audience that "It is better for people if the staff get to know them really well so they get cared for better and staff should work there a long time."

Taking part at this event and having her voice heard has had an incredible impact on Julie, her confidence and sense of belonging. She took away a new understanding that her voice, and the voices of her fellow service users could and should be more powerful, and that Ambient had given her and them that opportunity to share their experience.

Julie's confidence has only gone from strength to strength since becoming a Guardian, she is an active and vocal participant in the group, has chaired tenants' meetings at the service she lives, and gone on to take up other volunteering opportunities. Her sense of belonging and social

value is cemented in her interactions with others. She is a confident and valued member of the local community and leading as busy and independent life as she is able thanks to Ambient.

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 next five-year period to 2025. It has been designed following extensive engagement with the people we support and a variety of different stakeholders.

During 2024 the Trustees will again engage with the Executive team and various stakeholders to review the achievements against the plan and work on these foundations for use in the next 5 year plan from 2025 onwards.

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 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. We recognise though that the financial position of the Charity has been strained in the last few months, but feel confident that with the support of the loan that we are able to undertake new business and manage our cashflow and all the requirements this imposes on us.

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:



Our 5i Values sit at the very heart of all that we do and guide us in all our working practices:



impact: We make a positive difference to people's lives, enabling greater independence, improved wellbeing, better outcomes and increased choice.



innovative: We embrace a culture for change that strives for continuous reflection, improvement and achievement of excellence.



inspirational: We promote imagination and positivity, motivating our staff and the people we support.



inclusive: We positively welcome diversity of background, ethnicity, skills, talents and contributions from everyone.



integrity: We respect all people as individuals and treat them with compassion and consideration. In all our dealings we are open, honest, accountable and transparent.

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*)

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*)

The last year of the plan where we intended to build on our position of financial strength, has been curtailed slightly, but we continue to work on a number of enabling and more detailed functional and operational strategies that will be fed through the Board who have oversight of these work streams. Work will commence in 24/25 to review and produce a new 5 year strategy.

The aim remains for the resource, and our capacity and flexibility to function where they will act decisively and respond to opportunities as they arise. This oversight will enable Ambient to have an agile and responsive approach and to transform the Charity into a sustainable form to remain a strong participant in the social care arena.

Recent Impact on 2020-2025 Plan

The plan was agreed just before Covid and in the last couple of years post Covid some of the ambition and ability of the Charity to deliver in all areas of the plan has been limited. At the beginning of 2023 the Charity experienced considerable usage and cost of agency staff which had been a notable spend during the pandemic. Some of the necessary changes required to staffing levels and the use of agency staff during 23/24 were slow to change with some services becoming over reliant on the use of agencies and thus increasing operating cost.

The Trustees had previously agreed:

- That the ambition and aspiration in the plan needed to be retained.
- That the financial impact post the pandemic needed to be managed as grants and other funding streams ended.
- That the following overarching strategic priorities continued to be the focus for 23/24 financial year:
- To maintain liquidity and secure adequate funding
- 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 managed in the post Covid period.

Business Plans

In our services for people with **Learning Disabilities (LD)** the ongoing focus has been on developing our practice. We want a model of practice that can facilitate, empower and engage our teams to deliver the best support for each person who receives a service from us, to enable them to achieve and lead the life they want. The experience of living a 'normal' life is filled with all sorts of activities, roles, responsibilities, relationships, leisure, work, daily living. These are often harder for people in receipt of a care service to achieve. Ambient wants to ensure the support teams and leaders have the skills they need to deliver *active support* to build skills and confidence so people can lead and have the opportunity to do the things that they want to do and enjoy doing!

Active support is an evidence based model of practise that changes the style of support from 'caring for' to 'working with'. It promotes independence, by focusing on building skills and confidence, thus empowering people to take an active part in their own lives.

Our Quality Team continues to support services and enable us to improve the levels of involvement and engagement with the people we support. The challenge is to offer meaningful involvement for people with more complex needs and ideas are being discussed and hopefully soon progressed.

Ambient currently has four domiciliary care branches, six residential homes and one nursing home within the Learning Disability service portfolio. During the year Ambient has been reviewing the financial viability of services. If no additional funding is made available or realistic cost savings identified, then we have worked with the Local Authority to either transfer services to another provider in the area, or closing the service and finding alternate accommodation for the people being supported.

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. Sometimes this requires difficult decisions to be made by the organisation for the benefit of the people being supported.

In our Mental Health (MH) portfolio we have six residential homes, three supported living services and one domiciliary care branch through which we can provide flexible community support. As part of the service model review undertaken we operate the active support model together with the rehabilitation and recovery model of support in enabling people to live the lives they want. Mental Health Recovery focuses more on supporting people to regain control over their lives and emotions, and provide them with the tools to manage their mental health challenges in healthy ways.

The principles of rehabilitation are entwined with active support, with the rehabilitation focus on re-learning and gaining new skills to enable the person to lead a fulfilling and independent life. Recovery is about hope and enabling the person to have insight into their abilities and health, so they can engage in an active life, acquire new skills and find a purpose and sense of self. The 5 principles of recovery are: hope, personal responsibility, self-advocacy, education & support.

Older People (OP) – In the year we successfully closed the home in Kent, but the planned transfer of a home in Buckinghamshire did not happen as planned, and we continue to operate this in conjunction with some Local Authority support. The staffing requirements across the remaining Registered Homes continue to be high based on the level of support needed for individuals presenting at the home in a frail position. Our focus continues to be 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 increasing & improving the quality of life for older people living in care, and are seeking to adopt the Butterfly Approach. This is an evidence based approach, that moves away from task focused care and puts people (people we support and our care colleagues) at the heart of the home. The focus is on providing that person centred care, people feeling valued and a part of a / the community and having a positive sense of wellbeing. Ambient plan to provide extra support and training for staff in Older People services to continue to help them improve the quality of life for people in their older years.

OP Services currently run five residential and nursing homes and five extra care housing locations, in Buckinghamshire, Hertfordshire, 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.

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 £37,389k (2023: £36,723k) and had expenditure of £40,767k (2023: £42,144) resulting in a net expenditure of £3,378k (2023: £5,421k net expenditure). After taking into account the actuarial pension losses and adjustments of £354k (2023: £1,191k gain) the net movement in funds at the year-end was a deficit of £3,732k (2023: deficit of £4,230k), which includes net expenditure of £393k (2023: net income of £21k) from Amber Housing (before intergroup adjustments).

The pressure on staff costs has continued in the year following on from the year before. This has included staff recruitment and retention difficulties that has resulted in increased use of external agency staff at a premium cost. The rising staff costs and recruitment and retention of the care and support staff remains a sector-wide issue. The appeal of social care work has reduced since the pandemic and changes to work rules through Brexit has not helped the availability of workforce. 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 invested in technology to help us better manage staff working, efficiency and effectiveness. This year we have reviewed the structure of our operational teams based on their feedback and the Director of Operations has restructured to have dedicated workforce off rota to complete the administrative and supervisory elements leaving other staff free to directly deliver the support requirements of each contract to better meet the needs of the people we support. We have continued to work successfully with a neutral vendor in relation to our agency staff requirements, targeting improved quality and consistency; we have also identified improvements in both our internal processes and the information we receive to enable a more consistent approach to agency cost reporting, and this is helping address expenditure in this area.

As part of looking at the sustainability of our OP services we have closed the home in Kent and successfully transferred residents to other facilities of their choice. We will continue to work with the Local Authorities of our other OP homes to look at the staffing and voids position and work them to agree satisfactory resolutions.

At the end of the financial year reserves totalled £2,335k (2023: 6,067k) of which £85k (2023: £72k) 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): £1,606k (2023: £1,598k)
- LGPS Buckinghamshire: £Nil (2023: £Nil). The actuary report for the scheme recognised an asset of £2,055k (2023: £1,372k) at the year-end. This has been restricted to the level of the asset ceiling, see note 9 for details.

The movement in defined benefit pension liabilities has increased this year, resulting in an adjustment of £354k to the pension reserve (see note 9). 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 asset on the Buckinghamshire LGPS has been accounted for as £nil and the past service deficit liability for the SHPS is subject to an annual payment arrangement. Note 9 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 deficit of £393k (2023: £21k surplus). Their total funds are £1,238k (2023: £1,888k) with designated reserves on 31 March 2024 of £151k (2023: £151k) recognising the future property liabilities they have relating to both owned and leased houses. (Further details can be found in note 12.)

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:

Staffing shortages

- The recruitment team now directly report to Director of Operations
- Improve regional recruitment initiatives
- Strengthen controls over agency staff use
- Implement a turnaround plan led by Director of Operations

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
- Comprehensive Action Plans where needed
- Swift response to any CQC or LA communication

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

LA funding/Financial sustainability of services

- Adherence to the Business Plan
- Availability of loan facility
- Ongoing negotiations with Local Authorities of fee uplifts and service viability
- Continual internal monitoring via performance reviews
- Ongoing and planned reductions in overheads

Failure of Financial Controls and breach of bank loan covenants

- Accurate financial reporting and forensic review of the data
- Internal Audit programme on key controls / risks
- Monthly review of management data at local level
- Forecast and schedules prepared for future periods

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.

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.

Our cash resources vary during each month, but when we have available funds we have continued this year to retain surplus cash in bank deposit accounts to earn interest.

Reserves policy and Going Concern

The Trustees have closely reviewed the financial position of the Group during the year at each Business Improvement and Financial Performance Committee (BIFP) meeting, and each Board meeting. They consider the reported financial position against the working capital requirements, any expected increase in funds and known, and potential, liabilities. They also look at how the performance complies with the Charity Bank covenants.

The extensive analysis and financial projections reviewed by Trustees during the year end 23/24, which formed the basis of a Business Plan that supported the successful application for a bank loan, gave the foundation needed to support the current going concern review and provided information to Trustees that the Charity could manage its financial affairs if certain actions were taken.

As at 31 March 2024, the total funds held on a consolidated basis are £2,335k. This is made up of:

- £3,705k Unrestricted funds
- £151k Designated funds
- £85k Restricted funds
- £1,606k 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.

On 31 March 2024 the Group's "free reserves" (total reserves excluding restricted and designated funds, funds represented by fixed assets and funds represented by pension) were a deficit of £3,805k (2023: £623k deficit).

The Trustees have had to carefully consider the reserves position this year, as the value of available reserves has again declined resulting in a negative value of free reserves. The Charity has seen the value of its assets reduce over recent years with impairment on both property and systems. The decision to sell property not being utilised within the operation of the Charity has disappointed with some sales being below expected market value. The operational environment has also been tough, with many Local Authorities not increasing their fees sufficiently to cover the true cost of the National Living Wage increases and the requirement to also be competitive across a range of roles to both recruit and retain staff.

During this year we have taken tough decisions to close or transfer services where their financial viability or the quality of the service falls below our standard. This may be due to difficulties in staff recruitment and over reliance on agency staff in some areas. We have some non recurring staff costs in year where the restructure actions both in operations and corporate staff has led to redundancy costs. The unplanned overspend in staff costs from 2023 year end has been addressed during the year through ongoing operational review, but we are still reliant on agency staff in some services, notably the OP homes in Buckinghamshire.

The financial situation has required Trustees to rethink the approach to reserves, recognising that there is a requirement to hold funds to ensure the stability of the Charity as an employer of staff, and also the need to retain and secure ongoing contract income where the services are financially viable to continue to progress the strategic direction moving forward. The general reserve target was previously agreed to be at a minimum level of £5m, and this remains the overall target as below. However, the results for the year show reduced reserve levels and Trustees acknowledge that the Group needs to improve their financial performance to restore these. 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.

General reserve – Total unrestricted reserves (including pension deficit and fixed assets)	£3.5m
Growth development and investment fund (including investment posts, and additional Covid funds)	£0.1m
Risk of loss of significant contracts	£0.3m
Regulator breaches, fines etc. Based on Risk Register (CQC, ICO, Home Office, H&S Executive, GDPR).	£0.5m
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
Failure of a contractor/breach of contract	£0.2m
Total General Reserve Target	£5.0m

On completing a review of going concern to March 2026, in line with the cash flow forecast prepared, the operational deficits in year ending 31 March 2024 were as expected whilst a restructure was undertaken and the planned digital transformation and integration was progressed. The Charity relies on an informal agreement with a staffing agency, which allows payments to be made at an agreed rate and terms without accelerated demands. This arrangement is a key assumption in the cash flow forecast. As of 31st March 2024, the Charity's financial position has shifted to a net current liability of £2.3m, highlighting increased short-term obligations. The results seen moving into 24/25 to date have been a little disappointing and the area most underperforming is income where the Bucks OP homes are below expected income levels due to issues with occupancy and admissions.

The Trustees have prepared these financial statements on a going concern basis as with the support of the Charity Bank it believes that the level of reserves and the degree of volatility in income and costs can be managed through application of the turnaround plan, which includes strategic property sales, closure of loss making services and restructuring. This will enable the Group to continue for the foreseeable future. However, it does have some significant areas of uncertainty which will require careful management of funds which include:

- The whole sector is facing from April 25 considerable increases in National Insurance contributions for its staff without, at the time of writing, any visibility or guarantee of adequate funding to cover these costs;
- The stakeholder relationship with the Charity Bank, which is currently providing support subject to certain conditions and covenants. This includes operating within the covenants applying to the Charity Bank loan, which will test financial performance going forwards against the revised financial forecasts.
- The volatility of the property market and reliance on the timing of property sales in accordance with the cash flow requirements.

The Group has had difficult discussions based on the financial outturn for year ended 31 March 2024 and the forward plans for 2024/25 and beyond when it will exit the OP services in Bucks. The risks have been well discussed between the Executive and Trustees, and updated on the risk register, along with mitigating controls. Further details of the principal risks (refer to page 8) and future impact (refer to page 9) of the operation of the loan and related covenants. The Trustees have updated all the expected future forecasts and plans, cash flows and liquidity of the Group, and have reviewed the impact that decisions taken during 2024 and into 2025 will have on future financial performance. The Group is continuing to review structures and areas of digital transformation that will bring additional financial efficiency savings that can continue into future years. The opportunities for targeted growth in the strategic areas of operation together with ongoing consolidation of some services results in tough decisions, but these are essential in the current climate of potential under funding by some Local Authorities of the true cost of service provision. Given there are still material uncertainties, Trustees have assessed the views of management and the proposals for change and mitigation. On this basis Trustees feel satisfied that the Group meets the "going concern" criteria, given that the Charity Bank has verbally confirmed its ongoing support based on the forecasts and proposals shared with them.

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 meet to discuss and agree the changes, priorities, and key issues.

The interest of the organisation's employees

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

Our Workforce Development Strategy has been in place for three years and is a key driver for employee engagement 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.

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 value's 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.
- 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. In the Autumn of 2023 Ambient was reassessed and successfully re-accredited as a Mindful Employer
- Staff Surveys – in 2023 we ran our own in house staff survey and developed corporate and local action plans which have been updated through the year and we have also run additional pulse surveys.
- 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.
- We were delighted to be accredited at Disability Confident Level 2 during 23/24, having previously been accredited at Level1; Disability Confident is creating a movement of change, encouraging employers to think differently about disability and take action to improve how they recruit, retain and develop disabled people. It was developed by employers and disabled people's representatives to make it rigorous but easily accessible.
- In 23/24 we have been heavily focussed on implementing a suite of technology to streamline systems, improve reporting and to be as accessible and intuitive as possible for staff.
- Equality, Diversity and Inclusion: in November 2022 Trustees approved a strategy and action plan which had been developed with external support and challenge and included staff at the outset. One key action arising from this has been to develop a "Respect at Ambient" Policy which has been very well received by staff. A steering group from across the organisation leads the overall journey and monitors the overall action plan implementation.

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 visited schemes and had the opportunity to engage directly with the people we support, as well as with our front-line service staff. This is 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, Integrated Care Boards 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.

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.

We operate the following two projects:

- The Ambient Creative Arts Project: A creative arts project that allows people to explore their potential and creativity via the medium of ceramics. The group hold exhibitions of their work in local galleries and run workshop sessions to teach the relevant skills.
- 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. This project charges for its services with the aim to cover its operating costs and make a small surplus.

Please also see how we seek to reduce our environmental footprint in the "Streamlined Energy and Carbon Reporting" on page 15 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). Amber Housing Ventures Limited has been struck off at Companies House on 6 February 2024.

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 2024 it had 6 Trustees and no 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 24 January 2024. 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 2024 it had six Shareholders (Board members).

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. 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.

Structure, governance and management (continued)

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.

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 – Troy Henshall, 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 39. 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.
- 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.

Streamlined energy and carbon reporting

UK Greenhouse gas emissions and energy use data for the period 1 April 2023 to 31 March 2024

	2024	2023
Energy consumption used to calculate emissions (kWh)	3,616,770	5,830,333
Energy consumption break down (kWh)		
- Gas	1,660,092	4,336,988
- Electricity	1,712,805	1,359,677
- Transport fuel	243,873	133,668
Scope 1 emissions in metric tonnes CO ₂ e		
- Gas consumption	298.82	790.16
Scope 2 emissions in metric tonnes CO ₂ e		
- Purchased electricity	354.68	259.98
Scope 3 emissions in metric tonnes CO ₂ e		
- Business travel in employee owned vehicles	41.42	22.58
Total gross emissions in metric tonnes CO₂e	694.91	1,072.72
Intensity ratio		
Tonnes CO ₂ e per service user	0.84	1.28

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 2023 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 Support is fully committed in its responsibility to care for our environment and to minimise and adverse environmental impact relating to its activities and has launched its sustainability strategy which runs from 2024 to 2030. This strategy focuses on five themes to enable delivery of science-based targets in 2030 and 2050.

Measures taken to improve energy efficiency (continued)

The themes are as follows:

1. Our Homes and Offices
2. Our environment
3. Our suppliers and services
4. Our resources
5. Tracking our performance

Within each of them we have a series of actions split into short term (2024 to 2026) and longer term to 2030. A key element of this reporting will be to monitor our progress and improvements and revise actions and activities accordingly to meet our aspirations.

Governance Code

The Trustees recognise the requirements of the Charity Governance code, which is designed to assist charities and their Trustees develop high standards of governance. 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. Equality, diversity and inclusion
7. Openness and accountability

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

The Trustees are planning to revisit the Governance arrangements during 2024 as they have reduced in number and are considering how best to structure committees to ensure robust review of the operation, risks and ongoing needs of the Group.

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 (2023: 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 24 January 2025 and duly signed on their behalf by:



Chair

David Brindle

Statement of Trustees' Responsibilities

For the year ended 31 March 2024

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 judgments 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 on financial statements

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 2024 which comprise the Consolidated Statement of Financial Activities (incorporating an income and expenditure account), the Group and Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of 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 2024 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.

Material uncertainty related to going concern

We draw attention to note 1 in the financial statements, which indicates that the trustees of the parent charitable company consider there to be significant uncertainties. The trustees consider these to be delivery of the operational plan to achieve the resultant forecast profitability figures, and provision of necessary assurances to external stakeholders and lenders, including The Charity Bank Limited, to maintain the required financial position.

As stated in note 1, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the group and parent charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 and the incorporated Strategic Report prepared for the purpose of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report and the incorporated Strategic 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 Trustees' Report and the incorporated Strategic Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 require 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 17, 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.

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

NICHOLAS SLADDEN (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP (Statutory Auditor)
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

27 January 2025

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

For the year ended 31 March 2024

	Note	2024 Unrestricted funds £'000	2024 Restricted funds £'000	2024 Total funds £'000	2023 Unrestricted funds £'000	2023 Restricted funds £'000	2023 Total funds £'000
Income from:							
Donations, legacies and grants	2	23	16	39	35	-	35
Charitable activities:	3						
Registered Services		17,930	-	17,930	17,619	-	17,619
Supported Living		14,540	-	14,540	14,829	-	14,829
Domiciliary & Community services		3,327	-	3,327	2,834	-	2,834
Property & Housing		1,309	-	1,309	1,266	-	1,266
Other		177	-	177	78	-	78
Investments	4	67	-	67	62	-	62
Total income		37,373	16	37,389	36,723	-	36,723
Expenditure on:							
Charitable activities:							
Registered Services		19,567	-	19,567	20,742	-	20,742
Supported Living		15,600	3	15,603	16,198	-	16,198
Domiciliary & Community services		3,228	-	3,228	2,989	-	2,989
Property & Housing		2,369	-	2,369	2,211	-	2,211
Other		-	-	-	4	-	4
Total expenditure	5	40,764	3	40,767	42,144	-	42,144
Net expenditure	6	(3,391)	13	(3,378)	(5,421)	-	(5,421)
Other recognised gains							
Actuarial (loss)/gain on defined benefit pension schemes	9	(354)	-	(354)	1,191	-	1,191
Net movement in funds		(3,745)	13	(3,732)	(4,230)	-	(4,230)
Reconciliation of funds							
Total funds brought forward		5,995	72	6,067	10,225	72	10,297
Total funds carried forward	17	2,250	85	2,335	5,995	72	6,067

Balance Sheets

As at 31 March 2024

	Note	Group		Charity	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
Fixed Assets					
Intangible assets	10	382	225	382	225
Tangible assets	11	7,128	8,216	5,940	6,986
Total fixed assets		<u>7,510</u>	<u>8,441</u>	<u>6,322</u>	<u>7,211</u>
Debtors:					
Amounts receivable within one year	13	3,326	2,561	3,383	2,473
Current asset investments		525	738	525	738
Cash at bank and in hand		1,100	2,246	797	1,659
		<u>4,951</u>	<u>5,545</u>	<u>4,705</u>	<u>4,870</u>
Current liabilities					
Creditors: Amounts falling due within one year	14	(7,313)	(4,798)	(7,117)	(4,523)
Net current (liabilities)/assets		<u>(2,362)</u>	<u>747</u>	<u>(2,412)</u>	<u>347</u>
Creditors: Amounts falling due after more than one year	15	<u>(1,207)</u>	<u>(1,335)</u>	<u>(1,207)</u>	<u>(1,335)</u>
Provisions for liabilities	16	-	(188)	-	(188)
Net assets excluding pension scheme liability		3,941	7,665	2,703	6,035
Defined benefit pension scheme liability - LGPS	9	-	-	-	-
Defined benefit pension scheme liability - SHPS DB	9	(1,606)	(1,598)	(1,606)	(1,598)
Total net assets		<u>2,335</u>	<u>6,067</u>	<u>1,097</u>	<u>4,437</u>
Funds					
Unrestricted funds	17	3,705	7,442	2,618	5,963
Pension reserve	17	(1,606)	(1,598)	(1,606)	(1,598)
Designated funds	17	151	151	-	-
Total unrestricted funds		<u>2,250</u>	<u>5,995</u>	<u>1,012</u>	<u>4,365</u>
Restricted funds	17	85	72	85	72
Total funds		<u>2,335</u>	<u>6,067</u>	<u>1,097</u>	<u>4,437</u>

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 £2,986k (2023: £5,442k) and the net movement in funds was £(3,340k) (2023: £(4,251k)).

The financial statements were approved by the Board of Trustees and authorised for issue on 24 January 2025 by:



David Brindle
Chair



Andrew Tunks - board member

Ambient Support Limited

Consolidated Statement of Cash Flows

For the year ended 31 March 2024

		2024	2023
	Note	£'000	£'000
OPERATING ACTIVITIES			
Cash from operations	19	(1,409)	(5,317)
NET CASH USED IN OPERATING ACTIVITIES		<u>(1,409)</u>	<u>(5,317)</u>
INVESTING ACTIVITIES			
Investment income		67	62
Purchase of fixed assets		(587)	(1,254)
Proceeds on disposal of fixed assets		770	-
Long term deposits		213	-
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		<u>463</u>	<u>(1,192)</u>
FINANCING ACTIVITIES			
Repayments of borrowings - bank loan		(39)	(47)
Repayments of borrowings - other loans		(86)	(81)
Interest paid		<u>(75)</u>	<u>(82)</u>
NET CASH USED IN FINANCING ACTIVITIES		<u>(200)</u>	<u>(210)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		<u>(1,146)</u>	<u>(6,719)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	19	2,246	8,965
CASH AND CASH EQUIVALENTS AT END OF YEAR	19	<u><u>1,100</u></u>	<u><u>2,246</u></u>

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)) 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 charity, 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.

Going concern

The Group incurred a deficit of £3.4m in the year to 31 March 2024 together with a net cash inflow of £208k. The Trustees have prepared the financial statements on a going concern basis having prepared cash flow forecasts to March 2026.

The Trustees concluded negotiations with the Charity Bank on an arrangement for loan finance in April 2024 and continue to liaise regularly with the Charity Bank on the financial performance and future forecasts for the coming periods. The Management Account results to September 2024 indicated that the EBITDA covenant is breached in Quarter 2 of the 2024/25 financial year. The Charity Bank have agreed to waive the historic breach of Quarterly EBITDA testing and stated that it does not currently intend to take any action regarding the forecast financial position. The Trustees recognise that the turnaround plan has not delivered all the expected financial benefits at this stage, but there is regular monitoring on the improvements anticipated and mitigating actions, including property sales and restructuring, are agreed to continue to improve the financial performance such that a more robust cash position can be attained as soon as possible.

Recognising there remains material uncertainty in several areas, namely, the achievement of the turnaround plan, the willingness of our agency staff supplier to allow us to pay off aged debts on a weekly basis and the continued willingness of the Charity Bank to not take action in relation to forecast covenant breaches, the financial position will remain under close scrutiny. The Executive and Trustees will work closely with the Charity Bank and other stakeholders to provide them with the necessary assurances and updates.

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.

1. ACCOUNTING POLICIES (continued)

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. 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.

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 initially measured at cost and subsequently measured at cost, net of depreciation and any 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

1. ACCOUNTING POLICIES (continued)

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.

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; and Buckinghamshire Local Government Pension Schemes (LGPS) - Defined Benefit. The SHPS Defined Contribution is the only scheme open to new employees.

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.

1. ACCOUNTING POLICIES (continued)

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 9 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 9 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.

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.

1. ACCOUNTING POLICIES (continued)

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 the 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 SHPs scheme, have been determined by actuarial valuations supplied for use. 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 9.

2. INCOME FROM DONATIONS, LEGACIES AND GRANTS 2024

	Unrestricted funds	Restricted funds	Total funds
	£'000	£'000	£'000
Donations	23	16	39
Totals	23	16	39

INCOME FROM DONATIONS, LEGACIES AND GRANTS 2023

	Unrestricted funds	Restricted funds	Total funds
	£'000	£'000	£'000
Donations	35	-	35
Totals	35	-	35

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. INCOME FROM INVESTMENTS**Income from investments 2024**

	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Interest income from short and long term bank deposits	67	-	67

Income from investments 2023

	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Interest income from short and long term bank deposits	62	-	62

5. EXPENDITURE

Total expenditure 2024

	Registered Services £'000	Supported Living £'000	Domiciliary & Community services £'000	Property & Housing £'000	Support costs * £'000	Total £'000
<u>Direct Costs</u>						
Staff costs	12,162	12,642	2,517	409	3,728	31,458
Non-staff costs	4,324	416	129	1,716	2,862	9,446
SHPS and LGPS pension adjustment	(60)	-	-	-	286	(346)
Governance costs	-	-	-	13	196	209
Recharged support costs	3,141	2,545	583	231	(6,537)	-
Total expenditure on charitable activities	19,567	15,603	3,228	2,369	-	40,767

* 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).

Total expenditure 2023

	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	13,415	13,579	2,476	367	2,650	-	32,487
Non-staff costs	3,865	561	119	1,657	2,202	-	8,404
SHPS and LGPS pension adjustment	103	-	-	-	(294)	-	(191)
Governance costs	-	-	-	11	72	-	83
Impairment Losses	911	-	-	-	446	-	1,357
Other unrestricted Funds	-	-	-	-	-	4	4
Recharged support costs	2,448	2,058	394	176	(5,076)	-	-
Total expenditure on charitable activities	20,742	16,198	2,989	2,211	-	4	42,144

* 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.

6. NET EXPENDITURE

	2024	2023
	£'000	£'000
Net expenditure is stated after charging/(crediting):		
Depreciation of tangible fixed assets	756	695
Amortisation of intangible assets	93	133
Impairment losses on tangible fixed assets	-	911
Impairment losses on intangible fixed assets	-	446
(Profit)/ loss on disposal of tangible fixed assets	(101)	199
Operating lease rentals	1,328	1,764
Net interest on defined benefit pension liabilities (note 9)	3	77
Interest on bank loans measured at amortised cost	41	43
Interest on other loans measured at amortised cost	34	40

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	59	49
Other services:		
Audit services - statutory audit of subsidiary of the Charity	11	9
All other non-audit services	20	8
	<u>90</u>	<u>66</u>

7. STAFF COSTS

	2024	2023
	£'000	£'000
Wages and salaries	21,383	21,137
Social security costs	1,710	1,767
Defined benefit pension costs (see note 9)	106	373
Defined contribution pension costs	585	593
Total staff costs	<u>23,784</u>	<u>23,870</u>
Agency staff & other staff related costs	<u>7,675</u>	<u>8,617</u>
	<u>31,459</u>	<u>32,487</u>

Redundancy and compromise payments across the Group of £290k were paid during the year (2023: £214k).

Eleven Ambient employees are seconded full time to Amber Housing which meets the costs in full (2023: eight employees).

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

	2024	2023
	Number	Number
Senior managers and administrative staff	85	88
Care and activities staff	947	977
	<u>1,032</u>	<u>1,065</u>

The full time equivalent (FTE) number of staff would be lower as a number of staff work part-time and some casual staff are employed on zero hours contracts. The FTE is estimated at 978 staff for 2024 (2023: 1,044 staff).

7. STAFF COSTS (continued)

Employees earning more than £60,000 per annum	2024 Number	2023 Number
£60,001 - £70,000	3	-
£70,001 - £80,000	3	1
£80,001 - £90,000	1	2
£90,001 - £100,000	1	-
£100,001 - £110,000	1	2
£110,001 - £120,000	1	-
£120,001 - £130,000	1	1

No employees above are member of the SHPS defined benefit scheme (2023: none); 7 employees (2023: 6) are members of the SHPS defined contribution scheme and no employees are members of the NHS Pension (2023: none). Employer pension contributions for the above employees were £nil in the defined benefit schemes (2023: £nil); £nil in the NHS Pension (2023: £nil) and £22,599 in the defined contribution scheme (2023: £27,688).

Key management personnel

Chief Executive, Director of Operations, Director of People & Culture, Director of Business Development & 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 £626k (2023: £651k) and Employer's National Insurance of £77k (2023: £68k). 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 £549k (2023: £597k) and Employer's National Insurance of £68k (2023: £61k).

No trustees received any remuneration during the period (2023: nil).

8. 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 £6,323 in 2024 for 9 Trustees (2023: £10,277 for 12 Trustees).

Ambient has purchased £649k of facilities management services during the year (2023: £643k) from Amber Housing, a subsidiary. The following amounts are paid by Amber Housing to Ambient: a management fee of £63k per annum (2023: £63k); interest charge of £Nil (2023: £4k); property related payments of £5k amount (2023: £20k); gardening charge of £11k (2023: £8k). During the year, Ambient made purchases on behalf of Amber Housing and paid staff on secondment to the subsidiary totaling £408k (2023: £338k). The amount owed by Amber Housing at the year end is £219k (2023: £32k) which excludes the loan which is now fully paid, see note 13.

9. RETIREMENT BENEFITS

The Charity operates several pension funds for its staff and details of these are disclosed below. The employer contributions for 2024/25 are expected to be c. £535k across all pension schemes.

Contributions amounting to £150k (2023: £165k) were payable to the schemes at 31 March 2024 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:

	2024 £000's Group and Charity	2023 £000's Group and Charity
Social Housing Pension Scheme (SHPS) (note a)	1,606	1,598
Buckinghamshire County Council - LGPS (note b)	-	-
Total liability	<u>1,606</u>	<u>1,598</u>

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

Ambient participated in the Social Housing Pension Scheme (SHPS) which was 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 2024 was £366k (2023: £347k), of which employer's contributions totalled £366k (2023: £347k) and employees' contributions totalled £nil (2023: £nil).

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 2024 by a qualified independent actuary:

	2024 %	2023 %
Rate of increase in salaries	3.8	3.7
Rate of increase for pensions in payment	3.8	3.7
Discount rate for scheme liabilities	4.9	4.9
Inflation assumption (CPI)	2.8	2.7
Inflation assumption (RPI)	3.2	3.2

The assumed life expectations on retirement age 65 are:

	2024 Years	2023 Years
<i>Retiring today</i>		
Males	20.5	21.0
Females	23.0	23.4
<i>Retiring in 20 years</i>		
Males	21.8	22.2
Females	24.4	24.9

9. RETIREMENT BENEFITS (continued)

Ambient's share of the assets in the scheme:

	Fair value of assets	
	2024	2023
	£'000	£'000
Equities	3,620	3,599
Property	330	522
Alternative assets	224	13
Absolute return portfolio	276	77
Other	2,621	2,922
Total fair value of assets	<u>7,071</u>	<u>7,133</u>

Amounts recognised in the Statement of Financial Activities:

	2024	2023
	£'000	£'000
Net interest cost	69	42
Administration expenses	11	11
Total charge	<u>80</u>	<u>53</u>

Amounts recognised in other recognised gains and losses:

	2024	2023
	£'000	£'000
Return on plan assets in excess of interest	(405)	(3,636)
Change in demographic assumptions	105	22
Change in financial assumptions	(2)	3,300
Experience gain on defined benefit obligation	8	86
Total other recognised loss	<u>(294)</u>	<u>(228)</u>

Changes in the present value of defined benefit obligations:

	2024	2023
	£'000	£'000
At 1 April	8,731	12,083
Administration expenses	11	11
Interest cost	418	333
Actuarial gains	(111)	(3,408)
Benefits paid	(372)	(288)
At 31 March	<u>8,677</u>	<u>8,731</u>

Changes in the fair value of Charity's share of scheme assets:

	2024	2023
	£'000	£'000
At 1 April	7,133	10,419
Interest income	349	291
Return on plan assets (excluding net interest on the net defined pension liability)	(405)	(3,636)
Employer contributions	366	347
Benefits paid	(372)	(288)
At 31 March	<u>7,071</u>	<u>7,133</u>

The total return on scheme assets was £56k (2023: £3,345k).

Notes to the Financial Statements (continued)

For the year ended 31 March 2024

9. RETIREMENT BENEFITS (continued)

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 2024 was £27k (2023: £81k), of which employer's contributions totalled £22k (2023: £74k) and employees' contributions totalled £5k (2023: £7k). The agreed contribution rates for the future years are 27.1% for employers and between 5.5% to 6.5% for employees.

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2023 updated to 31 March 2024 by a qualified independent actuary:

	2024	2023
	%	%
Rate of increase in salaries	3.8	3.8
Rate of increase for pensions in payment	2.8	2.8
Discount rate for scheme liabilities	4.9	4.8
Inflation assumption (CPI)	2.8	2.8

The assumed life expectations on retirement age 65 are:

	2024	2023
	Years	Years
<i>Retiring today</i>		
Males	20.7	21.0
Females	24.3	24.5
<i>Retiring in 20 years</i>		
Males	21.9	22.3
Females	25.7	25.9

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

	Fair value of assets	
	2024	2023
	£'000	£'000
Gilts	852	708
Equities	4,634	4,710
Other bonds	1,063	905
Property	483	448
Cash	124	160
Infrastructure	726	573
Multi assets	844	793
Private debt	267	168
Total fair value of assets	8,993	8,465

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:

	2024	2023
	£'000	£'000
Current service cost	19	49
Past service costs, including curtailments	-	85
Net interest cost	(66)	35
Administration expenses	9	8
Total charge	(38)	177

9. RETIREMENT BENEFITS (continued)

Amounts recognised in other recognised gains and losses:	2024 £'000	2023 £'000
Return on plan assets in excess of interest	478	(773)
Change in demographic assumptions	87	531
Change in financial assumptions	86	3,258
Experience loss on defined benefit obligation	(28)	(283)
Other actuarial gains on assets	-	58
Restriction to level of asset ceiling	(683)	(1,372)
Total other recognised gain	(60)	1,419

Changes in the present value of defined benefit obligations:	2024 £'000	2023 £'000
At 1 April	7,093	10,564
Current service cost	19	49
Interest cost	332	272
Employee contributions	5	7
Actuarial losses	(145)	(3,506)
Benefits paid	(366)	(378)
Past service costs, including curtailments	-	85
At 31 March	6,938	7,093

Changes in the fair value of Charity's share of scheme assets:	2024 £'000	2023 £'000
At 1 April	8,465	9,248
Interest income	398	237
Return on plan assets (excluding net interest on the net defined pension liability)	478	(773)
Other actuarial gains	-	58
Administration expenses	(9)	(8)
Employer contributions	22	74
Employee contributions	5	7
Benefits paid	(366)	(378)
At 31 March	8,993	8,465

The value of the charity's share of net assets has been restricted due to the effect of the asset ceiling being the maximum value of the present of the economic benefits available in the form of the unconditional right to reduced contributions from the plan. A corresponding charge has been made to other comprehensive income for the period.

	2024 £'000
Present value of defined benefit obligations	(6,938)
Fair value of plan assets	8,993
Net asset	2,055
Restriction to level of asset ceiling	(2,055)
	-

The total return on scheme assets was £73k (2023: £536k).

9. RETIREMENT BENEFITS (continued)

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 £525k 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 £525k is shown within the current asset investments on the Balance Sheet as at 31 March 2024 (2023: £688k).

c) London Borough of Sutton - LGPS

On 16 January 2022, Ambient exited the scheme. The Charity were advised in May 2023 that the final cessation deficit on leaving the scheme was £295,000. It has subsequently been agreed that the Pension Fund will not seek to recover this deficit from the Charity and instead this balance will be underwritten by Sutton Council who will take on the deficit. If in the future there is a shortfall, Sutton Council will be responsible for making any payments to the members. No liability was recognised in relation to the scheme in the accounts for the year ended 31 March 2024 (2023: £nil).

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 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. 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 2024 will be £778k (year from 1 April 2023: £933k) with total recovery plan contributions due of £778k (year from 1 April 2023: £1,711k).

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 Charity has accounted for its contributions to the scheme as if it were a defined contribution scheme.

The employer's pension costs charged to the Statement of Financial Activities during the year amounted to £67k (2023: £69k).

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 £496k (2023: £403k).

10. INTANGIBLE FIXED ASSETS**Group and Charity**

	Enterprise Care system £'000
Cost	
At 1 April 2023	358
Additions	250
Transfers	-
At 31 March 2024	<u>608</u>
Amortisation and impairment	
At 1 April 2023	133
Charged in the year	93
At 31 March 2024	<u>226</u>
Net book value	
At 31 March 2024	<u>382</u>
At 31 March 2023	<u>225</u>

Included within Enterprise Care System are £Nil (2023: £78k) of assets currently under construction.

In the prior year, impairment losses of £446k were incurred which relate to two system modules of the Enterprise Care System, which have been superseded by new system options.

11. TANGIBLE FIXED ASSETS

Group	Freehold Land & Buildings £'000	Leasehold Property Alterations £'000	Furniture Fittings & Equipment £'000	Computer Equipment £'000	Vehicles £'000	Total £'000
Cost						
At 1 April 2023	8,955	2,869	1,592	1,335	120	14,871
Additions	-	199	30	108	-	337
Disposals	(1,051)	-	-	-	-	(1,051)
At 31 March 2024	<u>7,904</u>	<u>3,068</u>	<u>1,622</u>	<u>1,443</u>	<u>120</u>	<u>14,157</u>
Depreciation						
At 1 April 2023	2,607	1,847	1,075	1,006	120	6,655
Charge for the year	113	288	192	163	-	756
Disposals	(382)	-	-	-	-	(382)
At 31 March 2024	<u>2,338</u>	<u>2,135</u>	<u>1,267</u>	<u>1,169</u>	<u>120</u>	<u>7,029</u>
Net book value						
At 31 March 2024	<u>5,566</u>	<u>933</u>	<u>355</u>	<u>274</u>	<u>-</u>	<u>7,128</u>
At 31 March 2023	<u>6,348</u>	<u>1,022</u>	<u>517</u>	<u>329</u>	<u>-</u>	<u>8,216</u>

Details of assets pledged as security for liabilities are disclosed in note 15.

11. TANGIBLE FIXED ASSETS (continued)**Charity**

	Freehold Land & Buildings £'000	Leasehold Property Alterations £'000	Furniture Fittings & Equipment £'000	Computer Equipment £'000	Vehicles £'000	Total £'000
Cost						
At 1 April 2023	7,633	2,773	1,768	1,331	120	13,625
Additions	-	199	26	108	-	333
Disposals	(1,051)	-	-	-	-	(1,051)
At 31 March 2024	6,582	2,972	1,794	1,439	120	12,907
Depreciation						
At 1 April 2023	2,401	1,817	1,299	1,002	120	6,639
Charge for the year	93	278	176	163	-	710
Disposals	(382)	-	-	-	-	(382)
At 31 March 2024	2,112	2,095	1,475	1,165	120	6,967
Net book value						
At 31 March 2024	4,470	877	319	274	-	5,940
At 31 March 2023	5,232	956	469	329	-	6,986

Freehold land & buildings includes land of £603k (2023: £727k) for the Charity and £908k (2022: £1,032k) for the Group. The land value has been calculated based on “deemed cost” under FRS102.

12. 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:

	2024	2023
	£'000	£'000
Aggregate assets as at 31 March	1,812	2,206
Aggregate liabilities as at 31 March	(574)	(318)
Funds as at 31 March	1,238	1,888
Income for the year ended 31 March	2,035	1,930
Expenditure for the year ended 31 March	(2,428)	(1,909)
(Deficit)/Surplus for the year ended 31 March	(393)	21

13. DEBTORS**AMOUNTS RECEIVABLE WITHIN ONE YEAR**

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade debtors	1,459	1,207	1,519	1,085
Amounts owed by group undertakings	-	-	7	32
Other debtors	39	27	37	32
Prepayments and accrued income	1,828	1,327	1,820	1,324
	3,326	2,561	3,383	2,473

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Bank loan	41	45	41	45
Other loans	93	86	93	86
Trade Creditors	3,601	887	3,463	803
Amounts owed to group undertakings	-	-	159	8
Taxation and social security	475	401	476	402
Other creditors	351	527	383	522
Accruals and deferred income	2,752	2,852	2,542	2,658
	<u>7,313</u>	<u>4,798</u>	<u>7,117</u>	<u>4,523</u>

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:

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Brought forward	158	680	435	672
Released from previous periods	(158)	(680)	(435)	(672)
Deferred in the current year	208	158	460	435
Carried forward	<u>208</u>	<u>158</u>	<u>460</u>	<u>435</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Bank loan	823	858	823	858
Other loans	384	477	384	477
Other creditors	-	-	-	-
	<u>1,207</u>	<u>1,335</u>	<u>1,207</u>	<u>1,335</u>

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Included in creditors are:				
Amounts repayable by instalments falling due after five years	<u>621</u>	<u>867</u>	<u>621</u>	<u>867</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 £128k shown at present value should be sufficient to meet the obligations as they fall due. Of this balance £128k (2023: £258k) is included within other creditors due within one year.

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

The outstanding balance as at 31 March 2024 from the bank loan of £1.3 million with the Charity Bank is £864k (2023: £903k). 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 represent 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 £823k (2022: £858k). In 2024/25 an amount of £106k (2023: £99k) is payable of which £64k (2023: £54k) is the interest charge based on 2.5% above current base rate.

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 £477k is outstanding as at 31 March 2024 (2023: £563k). The balances have been included within the creditors notes above. This agreement requires annual payments, including interest, of £121k (2023: £121k) until October 2028. The capital value due within one year is £92k (2023: £86k).

The charity has a fixed and floating charge containing a negative pledge dated 20 February 2024 over all the assets and undertakings of the company in favour of Barclays Bank PLC.

16. PROVISIONS FOR LIABILITIES

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Dilapidations provisions	-	188	-	188
Movement on provisions				
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Brought forward	188	-	188	-
Additional provisions in the year	-	188	-	188
Provisions utilised	(188)		(188)	
Carried forward	-	188	-	188

Dilapidations provision

The Group and Charity have reviewed the dilapidations provision carried forward from the last financial year of £188k and based on the satisfaction of the requirements under this lease and the payment of said sum in full, have released this provision.

17. FUNDS

Group	As at 1 April 2023 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	As at 31 March 2024 £'000
General	7,442	37,373	(41,110)	-	-	3,705
Pension - BCC LGPS	-	-	60	(60)	-	-
Pension - SHPS	(1,598)	-	286	(294)	-	(1,606)
Designated funds						
Amber Housing - Property Fund	151	-	-	-	-	151
Total unrestricted funds	5,995	37,373	(40,764)	(354)	-	2,250
Restricted funds						
Reserves of Ambient	72	16	(3)	-	-	85
Total restricted funds	72	16	(3)	-	-	85
Total funds	6,067	37,389	(40,767)	(354)	-	2,335

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 gain on BCC LGPS is restricted, please see note 9 for more information.

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.

Charity	As at 1 April 2023 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	As at 31 March 2024 £'000
Unrestricted funds						
General	5,963	36,291	(39,636)	-	-	2,618
Pension - BCC LGPS	-	-	60	(60)	-	-
Pension - SHPS	(1,598)	-	286	(294)	-	(1,606)
Total unrestricted funds	4,365	36,290	(39,290)	(354)	-	1,012
Restricted funds						
Donations for services	72	16	(3)	-	-	85
Total restricted funds	72	16	(3)	-	-	85
Total funds	4,437	36,307	(39,293)	(354)	-	1,097

17. FUNDS (continued)

Group - prior year

	As at 1 April 2022 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers	As at 31 March 2023 £'000
Unrestricted funds						
General	13,054	36,723	(42,335)			7,442
Pension - BCC LGPS	(1,316)	-	(103)	1,419	-	-
Pension - SHPS	(1,664)	-	294	(228)	-	(1,598)
Designated funds						
Amber Housing - Property Fund	151	-	-	-	-	151
Total unrestricted funds	10,225	36,723	(42,144)	1,191	-	5,995
Restricted funds						
Reserves of Ambient	72	-	-	-	-	72
Total restricted funds	72	-	-	-	-	72
Total funds	10,297	36,723	(42,144)	1,191	-	6,067

	As at 1 April 2022 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	As at 31 March 2023 £'000
Charity - prior year						
Unrestricted funds						
General	11,596	35,532	(41,165)	-	-	5,963
Pension - BCC LGPS	(1,316)	-	(103)	1,419	-	-
Pension - SHPS	(1,664)	-	294	(228)	-	(1,598)
Total unrestricted funds	8,616	35,532	(40,974)	1,191	-	4,365
Restricted funds						
Donations for services	72	-	-	-	-	72
Total restricted funds	72	-	-	-	-	72
Total funds	8,688	35,532	(40,974)	1,191	-	4,437

18. ANALYSIS OF NET ASSETS BETWEEN THE FUNDS

Group	Unrestricted general funds	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Fixed assets	7,510	-	-	7,510
Current assets	4,715	151	85	4,951
Current liabilities	(7,313)	-	-	(7,313)
Non-current liabilities	(1,207)	-	-	(1,207)
Pension scheme liability	(1,606)	-	-	(1,606)
Net assets at 31 March 2024	2,099	151	85	2,335

Charity	Unrestricted general funds	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Fixed assets	6,322	-	-	6,322
Current assets	4,620	-	85	4,705
Current liabilities	(7,117)	-	-	(7,117)
Non-current liabilities	(1,207)	-	-	(1,207)
Pension scheme liability	(1,606)	-	-	(1,606)
Net assets at 31 March 2024	1,012	-	85	1,097

Group Prior year	Unrestricted general funds	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Fixed assets	8,441	-	-	8,441
Current assets	5,322	151	72	5,545
Current liabilities	(4,798)	-	-	(4,798)
Non-current liabilities	(1,335)	-	-	(1,335)
Provisions	(188)	-	-	(188)
Pension scheme liability	(1,598)	-	-	(1,598)
Net assets at 31 March 2023	5,844	151	72	6,067

Charity Prior year	Unrestricted general funds	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Fixed assets	7,211	-	-	7,211
Current assets	4,798	-	72	4,870
Current liabilities	(4,523)	-	-	(4,523)
Non-current liabilities	(1,335)	-	-	(1,335)
Provisions	(188)	-	-	(188)
Pension scheme liability	(1,598)	-	-	(1,598)
Net assets at 31 March 2023	4,365	-	72	4,437

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

	2024	2023
	£'000	£'000
Net expenditure	(3,378)	(5,421)
Adjustments for:		
Depreciation of tangible fixed assets	756	695
Amortisation of Intangible Assets	93	133
Transfer of Intangible Asset	-	32
Impairment losses on intangible fixed assets	-	446
Impairment losses on tangible fixed assets	-	911
Investment Income	(67)	(62)
Interest Payable	75	82
(Profit)/loss on disposal of tangible fixed assets	(101)	199
Defined benefit pension scheme costs less contributions payable	(346)	(191)
Operating cash flows before movements in working capital	(2,968)	(3,176)
(Increase)/decrease in trade and other debtors	(764)	(359)
Increase/(decrease) in trade and other creditors	2,511	(1,970)
(Decrease)/ increase in provisions	(188)	188
Cash from operations	(1,409)	(5,317)
CASH AND CASH EQUIVALENTS	2024	2023
	£'000	£'000
Cash at bank and in hand	1,100	2,246
Current asset investments	525	738
Total per Balance Sheet	1,625	2,984
Less: Deposits maturing in more than 3 months	(525)	(738)
Cash and cash equivalents in the Statement of Cash Flows	1,100	2,246

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 £525k (2023: £688k) and with Bromley Council LGPS of £Nil (2023: £50k). 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

	At April 1 2023	Cash Flow	Other non-cash movements	At 31 March 2024
Cash at bank and in hand	2,246	(1,146)	-	1,100
Bank Loans	(45)	99	(95)	(41)
Other Loans	(86)	121	(128)	(93)
Debt Due within 1 Year	(131)	220	(223)	(134)
Bank Loans	(858)	-	35	(823)
Other loans	(477)	-	93	(384)
Debt due after 1 year	(1,335)	-	128	(1,207)
Total Net Debt	780	(926)	(95)	(241)

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:

	2024	2023
Group	£'000	£'000
In less than 1 year	1,669	1,307
In 2 - 5 years	4,218	3,188
Over 5 years	5,563	6,266
	<u>11,450</u>	<u>10,761</u>
Charity		
	2024	2023
	£'000	£'000
In less than 1 year	863	792
In 2 - 5 years	3,379	3,188
Over 5 years	5,180	5,866
	<u>9,422</u>	<u>9,846</u>

21. POST-BALANCE SHEET EVENTS

The Charity is scheduled to exit its contract related to the Buckinghamshire homes in November 2025. As part of this planned exit, it is estimated that dilapidation works required to meet contractual obligations will cost approximately £1 million. Although this obligation relates to a future event, the charity has assessed the financial impact and included this disclosure in the statutory accounts for the year ended 31st March 2024 to provide transparency regarding anticipated liabilities. The charity is preparing to manage this commitment in accordance with its reserves policy.