

**Enham Trust Annual Report and Financial Statements for the year ended 31 March 2022**

Company Registration number 00173199

Charity Registration number 211235

Homes and Communities Agency number LH0526

## **Enham Trust**

(A company limited by guarantee)

## **Annual Report and Financial Statements**

**For the year ended 31 March 2022**



## **OFFICERS AND PROFESSIONAL ADVISORS**

### **Trustees**

C Barnett	Appointed 1 October 2022
C Benn	Appointed 1 October 2022
M Biles (Chair from 1 October 2022)	Appointed 1 October 2022
B Howard	Appointed 1 October 2022
A Kluth	Appointed 1 October 2022
M McCullen	Appointed 1 October 2022
T Peters	Appointed 1 October 2022
C Wehrle	Appointed 1 October 2022
C Whitaker	Appointed 1 October 2022
A Williams	Appointed 1 October 2022
M Black	Resigned 1 October 2022
D Fowler-Stevens	Resigned 16 June 2022
S Hasselmann	Resigned 1 October 2022
S Lindsay	Resigned 1 October 2022
B Merrett (Chair until 30 September 2022)	Resigned 1 October 2022
N Palmer	Resigned 1 October 2022
J Parr	Resigned 1 October 2022
M Samuel-Camps	Resigned 1 October 2022
S Vernon	Resigned 28 June 2021
E Wallace	Resigned 1 October 2022

### **Company Secretary**

D Betteridge	Appointed 1 October 2022
S Williams	Resigned 1 October 2022

### **Senior Leadership Team**

J Ashley	Interim Chief Executive (appointed 01 January 2023)
S Williams	Chief Executive (appointed 01 June 2022, resigned 31 December 2022)
	Commercial Director (until 31 May 2022)
H Gunn	Chief Executive (resigned 30 June 2022)
S Bradbury	Director of Operations
C Dixon	Director of Care (resigned 30 September 2022)
S Kent	Director of Finance (resigned 31 October 2021)
W Wright	Director of Finance (from 7 September 2021, resigned 31 March 2023)
N Lowry	Director of Income Generation (appointed 23 May 2022)

**REGISTERED OFFICE**

Enham Place  
Enham Alamein  
Andover  
Hampshire  
SP11 6JS

**BANKERS**

National Westminster Bank Plc  
9 Bridge Street  
Andover  
SP10 1BD

**INDEPENDENT AUDITORS**

PricewaterhouseCoopers LLP  
Savannah House  
3 Ocean Way  
Southampton  
SO14 3TJ

**CHAIRMAN'S WELCOME FROM MIKE BILES (New Chairman from October 2022)**

We were delighted to welcome Enham Trust into the Group in October 2022. As a new subsidiary of Aster Group, we're committed to the long-term delivery of Enham's purpose, supporting disabled people to live, work and enjoy life and ensuring the Trust retains its name, heritage, and charity status.

By working together, Enham Trust is able to draw on the larger resources and expertise of our Group; working together to ensure we provide high quality housing and care services across Enham's communities.

During the consultation period, we've listened to the views of Enham's residents, their friends and family, customers, employees, trustees and members, as well as the local community. We've been struck by everyone's passionate commitment to securing the future of the charity and the community it serves. These conversations are ongoing and we'll continue to work with these stakeholders to shape the future together.

Our immediate priority has been to begin a 12-month project to understand more about Enham's aspirations and anything that may be proving a barrier to its success. We're using our resources, strength and expertise to support the charity in the short-term and to begin planning what the long-term future could look like. Working collaboratively with our Enham colleagues is critical to achieving this.

This is our third successful merger in the past few years, having merged with Dorset-based East Boro Housing Trust (EBHT) in 2020 and London's Central & Cecil (C&C) in 2022; both of which provide housing and support predominantly to older and vulnerable people. Altogether we have over 36,000 homes and have pledged to invest £570m in enhancing our existing properties, including those owned by the smaller entities in the Group. We have a £2.4bn development plan to build 11,000 new homes by 2030.



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**Mike Biles**

**Chairman of the Board of Trustees**

## **STRATEGIC REPORT**

### **1 MANAGEMENT**

#### **OBJECTS SET OUT IN GOVERNING DOCUMENT**

The objects of Enham Trust as set out in its Articles of Association are to assist people with disabilities and to promote opportunities by providing access to accommodation, care, employment, training and other services and facilities and to provide housing accommodation and assistance to people in necessitous circumstances.

#### **AIMS**

Enham Trust, is a Hampshire-based pan-disability charity and registered social housing provider, on a mission to support disabled people to live, work and enjoy life, as independently as possible.

Established in 1921 to support injured service personnel returning from WWI, more than a century on it is still providing homes and person-centred services for people with physical, learning, and mental health disabilities.

#### **ACTIVITIES**

Enham Trust delivers services throughout the South of England, supporting over 6500 people every year, through its care at home, residential care, supported housing, general needs housing, employment and skills services, and direct payments support services. Enham Trust holds 'Disability Confident Leader' status.

#### **OBJECTIVES IN CORPORATE PLAN**

During the year, Enham Trust considered its strategy and concluded that the six key goals within its corporate plan remained relevant. They are:

- Create a world where disabled people can achieve what they want from their lives
- Deliver care and support to allow disabled people to be more independent
- Provide accessible and affordable housing for disabled people
- Make Enham Alamein a vibrant village where people want to live and work
- Improve our reputation so people want to donate, volunteer and work for us
- Build a strong organisation that strives to improve and be the best it can be for many years to come

### **2 OPERATING ENVIRONMENT**

Enham has had a challenging year financially and operationally due to a number of external factors including the global economic climate; in order to mitigate the effects of this, Enham Trust merged with the Aster Group on 1 October 2022; this is discussed further throughout this report.

Enham Trust continues to keep its cost base under review, seeking to improve systems and processes in order to achieve efficiencies, look to expand and diversify its customer base and continue to implement a programme of asset disposals.

## RISK MANAGEMENT

Enham Trust has an approach to risk management designed so that there is an on-going process for identifying, evaluating and managing the significant risks faced by Enham Trust. Service managers undertake regular risk reviews and these contribute to the Corporate Risk Register. Risks are assessed for their likelihood and potential impact and the Board focuses its work on those risks which are identified as most significant. For all significant identified risks, the potential to mitigate risk is considered and, where proportionate, action is taken. A wide variety of strategies are used to mitigate risk through appropriate policies and procedures, spreading risk through ensuring sufficient diversity of activity and commissioning partners, seeking to reduce risk through contract negotiation or insurance. In evaluating new projects, the Board assesses risk and will not proceed with projects where, in its opinion, the risks are disproportionate to the benefits offered to service users or Enham Trust.

Enham Trusts' approach to risk management also ensures that disaster recovery scenarios are considered and contingency plans prepared.

During 2021/22 and as at 31 March 2022, Enham Trust considers that the major risks it faces are:

***Failure to meet governance and viability standards (including those of the Care Quality Commission):*** Enham Trust considers that the completion of a planned programme of work demonstrates that the organisation meets the requirements of all standards and regulations.

***Failure to achieve a successful transition of registered residential care services to Enham, living services on a timely basis:*** As a final and key element of the financial turnaround of Enham Trust, a successful de-registration of existing services and implementation of new services is important both in terms of finances and service quality. Project management is being provided through dedicated resources, consultation with existing services users has been undertaken throughout and regular discussions have been held with commissioners of the services. Following transition of Elizabeth House, the project has been paused pending a full review of the programme.

***Staff fail to adhere to policies and procedures:*** Enham Trust's policies and procedures have been designed to ensure that service users are safe, that their data is secure and that staff provide services in a professional manner that protects the health and safety of themselves, service users, and members of the public. The risk of staff failing to follow these procedures appropriately is that there are poor outcomes which could place service users, members of the public or staff at risk. Enham Trust seeks to mitigate these risks through ensuring appropriate skills are available, accessible publication of policies and procedures, and through the induction and training of staff

***Global and economic operating environment (inc. Brexit):*** Any change which may affect the operating environment in the UK, could negatively impact profitability or negatively impact on operational delivery and services. Enham Trust seeks to ensure that its corporate structure, operational structure, service delivery model, contracting and supply change approach are resilient to change.

These risks will be reviewed during 2022/2023 following the merger with Aster Group.

## PRINCIPAL FUNDING SOURCES

Enham Trust delivers its services through a range of funding streams. During the year, its principal funding sources were:

- Local authorities and CCGs: £4,580,000 (2021: £4,743,000)
- Government funding (Education and Skills Funding Agency, Department of Work and Pensions): £1,160,000 (2021: £996,000)
- Housing income received directly from tenants and housing benefit: £1,690,000 (2021: £1,608,000)
- Enham Trust's social enterprises, fundraising and donations: £1,945,000 (2021: £1,386,000)

## 3 ORGANISATIONAL ACHIEVEMENTS AND PERFORMANCE

### ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

During the year, Enham Trust reached over 6,500 individuals, through services which promote equality, dignity, choice, and independence helping disabled people to live, work and enjoy life including the following areas:

#### HOUSING SERVICES

Enham Trust is a registered provider of social housing, specialising in providing affordable living accommodation for disabled and disadvantaged people ranging from general needs tenancies, specialist, and supported accommodation as well as private market rented homes.

During the year, 341 tenants were supported by Enham Trust's Housing Team with around 1 in 5 tenants also accessing other services delivered by Enham Trust to support their independence. For example, 18 tenants received Care at Home support and 9 accessed Direct Payment Support Services.

The Housing Team continued to develop Enham Trust's approach to engaging with tenants and the local community including regular Housing Surgeries, a quarterly newsletter and community activities such as litter-picking.

#### CARE & SUPPORT SERVICES

**Residential Care:** 49 individuals received person-centred support through Enham Trust's residential care service. Enham Trust has three buildings registered with the Care Quality Commission (CQC) to provide residential care. Known as Elizabeth House, Michael House and William House, each building consists of individual flat or bedsit style accommodation with accessible facilities.

Last year's report talked about the strategic aim to transition Enham's care homes to a new model of care and support focused on promoting increased independence through a 'supported living' model. After 31 March 2022, after extensive consultation with residents and their circles of support, employees and key stakeholders, Enham Trust was excited to embark on the first phase of 'Enham Living' with the conversion of Elizabeth House to a supported living model. The transition to supported living for William House and Michael House has been paused pending a full review.

Enham Trust is extremely disappointed to report that during a routine inspection by CQC of its residential care services in February 2022, it failed to achieve the required levels of quality expected of a regulated service provider which resulted in its residential care service being rated as 'inadequate'.

Enham Trust is committed to ensuring that it learns from this report and to improving its care services. A robust improvement plan has been implemented with increased resources to make these improvements including support from a team of specialist care consultants. Enham Trust will continue to work closely with its residents, the CQC and local authorities and wish to thank all those involved in the inspection process. A reinspection by CQC took place in March 2023 for which the formal results are awaited. No other CQC inspections are either outstanding or in progress.

**Care at Home:** Enham Trust supported 42 individuals with care and support that enabled them to live independently in their own homes. Care and support included personal care, support with medication, meals, shopping, financial management and social activities. 18 individuals in receipt of care at home during the year were also tenants of Enham Trust. The care at home service was not inspected by CQC during the year and therefore maintained its CQC rating of 'Good'.

**Supported Housing:** Enham Trust provides supported housing through its Coopers Chase scheme. Coopers Chase is transitional supported living aimed at supporting disabled adults to develop their essential living skills and confidence to move on to more independent living in the future. It consists of 10 modern bedsits each with a kitchenette and en-suite wet room. There is also a communal lounge, kitchen, laundry facilities and shared IT area. The scheme is staffed 24/7.

Enham Trust also provided a transport service enabling staff to support service users to attend appointments, go shopping and facilitate a range of activities and social outings, both in the community, and those offered by Enham Trust. More about the activities and opportunities that Enham Trust provides can be found later in this section of the report.

#### **DIRECT PAYMENT SUPPORT SERVICES**

Enham Trust continued to deliver Direct Payment and Personal Health Budget Support Services contracting with local authority and health partners in Southampton, Hampshire, Plymouth, Swindon, and Somerset, as well as several spot purchase arrangements in other areas.

Enham Trust's remote delivery model, making increased use of digital technology, went from strength to strength with more and more service users opting to access support in this way rather than face-to-face. Through these services Enham Trust supported 4,800 unique individuals to effectively manage their care and support needs.



The range of support included:

**Information, advice and guidance:** covering a range of areas such as understanding what they need, how to use the payments and what it can be spent on, setting up their Direct Payment or Personal Health Budget and assisting with necessary administration and paperwork. Where individuals want to employ their own care worker, Enham Trust helped with recruitment and understanding their responsibilities as an employer.

**Financial support services:**

- **Payroll** to support individuals employing their own care worker. This service ensures service users pay their employees in line with their contract of employment and within the law (e.g. ensuring that the right amount of tax and national insurance is deducted, paying the correct amount to HM Revenue and Customs) and giving their workers a payslip to show how the amount they are being paid is broken down. During the year, the team supported 1,524 service users with Payroll.
- **Managed Accounts service:** Enham Trust received and held Direct Payment or Personal Health Budget monies on behalf of the service user and paid invoices and bills in line with their support plan. During the year the team operated 6,517 Managed accounts (also known as holding accounts) on behalf of service users.

25% of those accessing information, advice and guidance also used additional financial services provided by Enham Trust.

Enham Trust also continued to work with local authority and health partners delivering training and awareness-raising sessions to local teams (e.g. social workers) aimed at increasing the uptake of Direct Payments/ Personal Health Budgets as an option for the people they support.

**‘SKILLS2ACHIEVE’ LEARNING CENTRES**

Skills2Achieve is Enham Trust’s unique, college-alternative skills and development programme for 16 to 19 year-olds (or up to 24 for learners with an Education Health Care Plan), who are not in employment, education, or training.

At centres in Portsmouth, Southampton, Basingstoke and Eastleigh, Enham Trust’s Ofsted regulated service delivered the ‘Skills2Achieve’ programme in small groups, supporting 109 vulnerable young people to gain their Maths and English qualifications, as well as develop employability skills that help them with re-entering or progressing into further or higher education, apprenticeships or building a career they want.

The programme also explores education beyond the classroom by regularly accessing the local communities, from attending live performances and productions to volunteering.

**‘STRIVE’ SUPPORTED EMPLOYMENT SERVICE**

Enham Trust’s supported employment service offers disabled people employment with a supported placement at Enham Trust or with a local employer. Advisors work with individuals on a one-to-one basis over 12 months to harness their skills and develop

a tailored approach, to help them gain longer-term employment at the end of the placement. They can also provide up to 3 months of support helping individuals to transition from the service. During the year, 42 individuals took up a supported employment placement (9 of these were also tenants of Enham Trust).

Enham Trust's established social enterprises based in Enham Alamein village provide the supported employment placements, for example, picking and packing in the third-party packing and logistics service '3PL', catering in Enham Trust's café and supporting the organisation's gardening services team.

During the year, 3PL provided 17,000 hours of supported employment, packed over 400,000 gift packs, and worked with businesses including Fortnum and Mason, Estee Lauder, Safe Albums, Kite packaging and Lunar Oceans to name a few. 3PL also offered storage for companies and the team are continually looking for more opportunities to create and promote employment for disabled people.

With Disability Confident Leader accreditation, Enham Trust continued to be part of a movement for change, encouraging other employers to think differently about disability and to take action to improve how they recruit, retain, and develop disabled people. Enham Trust offers information, advice and guidance sessions for businesses interested in becoming a Disability Confident employer.

Enham Trust's Director of Operations continued to sit on the 'Supported Business Steering Group' which feeds directly into the DWP's Policy and Commissioning teams, enabling Enham Trust to have a voice in influencing the future funding landscape for employment of disabled people.

## ACTIVITIES AND TRANSPORT

During the year Enham Trust continued to work with service users to deliver and develop 'Choices'; a programme of activities and sports that help disabled people to improve their physical and mental wellbeing, develop their skills and confidence and build their social networks.

Delivered in the Sports and Wellbeing Centre and Resource Centre at Enham Place, the Choices Programme engaged 56 individuals with the service. Examples of activity included:

- 120 hours of meditation and wellbeing sessions
- 430 hours of sports and physical activities including Keep-fit, dance fit, Boccia, boxing and yoga
- 230 hours of art, gardening, and craft sessions
- 160 hours of drama and choir sessions

At the beginning of February 2022 (following months of closure due to Covid), 'Radio Enham' (Enham Trust's online radio station run by disabled volunteers supported by an apprentice) relaunched its broadcasting. In just two months the station live

broadcast 226 hours of programming. As well as providing great opportunities for disabled people to develop their skills and confidence, the station also enables the voice of disabled people to reach a wider audience and, raises awareness about disability.

## **FUTURE OUTLOOK**

Enham merged with Aster Group in autumn 2022; much work has been undertaken by the Aster Group and Enham teams to integrate our services and recover Enham to a position of future sustainability. There is still work to do, but much progress has already been made to improve care services, assess and improve the condition of Enham's stock and engage a range of stakeholders about the immediate, short term and longer-term futures of Enham.

The engagement work has built strong relationships in a number of areas, and provided insight about priorities for the future. A proposal to modernise Enham's 100 year old founding principles has been developed, setting a framework to support and develop inclusive accessible communities, offer a range of housing, support and care options, support disadvantaged people into employment, and to build a vibrant and involved community.

## **FINANCIAL REVIEW**

There was a significant increase in revenue during the year from £7,931k to £8,434k, due to recovery after the financial impact of COVID on social enterprises. However, increased costs across the business resulted in an increase in operational deficit from £105k to £391k. Property sales which form part of the wider organisational strategy of specific limited property sales were completed and meant that Enham Trust was able to achieve a surplus before other comprehensive income of £603k for the year (2021: £1,326k).

## **VALUE FOR MONEY**

The Regulator for Social Housing issued its revised Value for Money Standard and Code of Practice in April 2018, which sets out the principles which all social housing providers should apply to achieve value for money, as well as detailing specific reporting requirements.

The work that has been and continues to be undertaken, to improve the longer-term financial viability of Enham Trust, has focused on the financial viability of activities and contracts, cost savings and opportunities for organisational growth. This strategy has significant alignment with the Regulator's Value for Money agenda and is reflected in Enham Trust's own approach to value for money.

Most registered providers of social housing would ordinarily expect to deliver incremental improvement in organisational performance, managed by key performance indicators benchmarked within the sector. However, the financial challenges faced by Enham Trust, and its comparatively unusual diversity of activities, mean that many of its metrics are unusual within the sector which makes comparator benchmarking more difficult. In addition, it continues to be the case that Enham Trust's current approach to addressing its financial challenges centres more on addressing the underpinning strategic issues and less on benchmarking as a driver for change.

The seven metrics specified by the Regulator of Social Housing have been calculated and are set out below. A summary of the method of calculation has been included for each metric but the actual calculations have been undertaken in accordance with detailed guidance set out by the Regulator in their technical notes.

Enham Trust notes that the regulator has identified that whilst the metrics will work for the majority of social housing providers that there can be unusual factors within a particular organisation that affect the metrics. The Board recognises that there remains work to do to ensure that Enham Trust is able to consistently generate operating surpluses, not least the implementation of the new model of care delivery. Therefore, the Board recognises that the operating results reported are unusual within the sector and this is reflected in the metrics for operating margin and return on capital employed. In addition, whilst the Board remains of the view that the decision to pause the development of new properties, whilst addressing the financial challenges Enham Trust faces, was correct, it recognises that this has inevitably had an impact on the metrics for reinvestment and new supply.

**Reinvestment: 1.3% (2021: 0.2%)**

A calculation of the percentage investment in new and existing properties as a percentage of the total value of housing properties held.

Given the financial challenges faced by Enham Trust no new housing was developed in the year so all reinvestment has been in capital works on existing housing and care properties. Consequently, the reinvestment rate will be lower than for those social housing providers which have developed new properties in the year.

**New Supply delivered - social housing units: 0% (2021: 0%), non-social housing units: 0% (2021: 0%)**

Respectively, calculations of social housing units developed or acquired divided by social housing units owned and non-social housing units developed or acquired divided by non-social housing units owned.

The financial challenges have been such that the Board determined that it was appropriate to pause the development of new properties, for which planning permission had been secured, until such time as Enham Trust is able to generate operating surpluses once again. Consequently, no new developments were undertaken or acquired in year.

**Gearing: 19% (2021: 21%)**

This has been measured in accordance with the Regulator's guidance, as the level of debt as a percentage of housing and care properties at cost.

It should be noted that Enham Trust's properties are reported at historic cost and that properties have been developed by the trust since 1919. Enham Trust is of the view that this could give a comparatively low

denominator to this metric when assessing this against others within the sector. The decrease in gearing in the year is due to increased cash holdings at the year-end held partly to redeem loan debt after the year end.

*Earnings before interest, tax, depreciation, amortisation, major repairs included interest cover: (18%) (2021: 194%)*

The operating deficit has had a significant effect on this metric this year.

*Headline Social Housing cost per unit: £14,757 ( 2021: £18,257) including registered care homes*

The regulatory definition requires the inclusion of operating expenditure on other social housing activities, which for Enham Trust includes the provision of registered care home services for individuals with disabilities, whilst the housing units for which the cost is measured also include the rooms within the care homes.

With 56 rooms within Enham Trust's three registered care homes, these form a significant part (20%) of the Trust's social housing properties. The specialist nature of the registered care homes means that the individuals with disabilities who live in the homes have high care needs and this in turn is reflected in the costs of the provision of these services. To assist interpretation of this cost per unit Enham Trust has calculated that the figure, excluding the care home costs and bed spaces, would give a headline cost per social housing unit of £3,827 (2021: £4,013) for the Trust's other units including housing with support or care.

*Operating margin social housing lettings: 41% (2021:23%) and Operating margin overall: (4)% (2021:(3)%)*

These are respectively calculated as the operating surplus from social housing lettings divided by turnover and the organisational operating deficit divided by total turnover. Social housing lettings are not considered to include income from care home fees as a total fee is charged for the package for each resident which is inclusive of the occupancy of room, utilities, food, care and some activities.

Return on capital employed: 6% (2021: 13%)

This is calculated as overall operating surplus divided by total assets less current liabilities.

#### **4 VOLUNTARY INCOME**

Every year Enham Trust sets out to raise essential funds to provide vital opportunities for disabled people to be independent, to learn and to improve their physical and mental health and wellbeing.

These projects, reliant on fundraised income and donations, provide services above and beyond what challenging statutory budgets can fund and, importantly, improve the quality of life of disabled people. Income to support these projects is received from trusts and foundations, individuals, businesses, the local community, legacies, and a charity shop.

The first part of the financial year brought several challenges with the ongoing impact of the covid-19 pandemic affecting Enham Trust's usual programme of fundraising activities. Charity shop sales were also impacted, having only re-opened in the early part of the year. Fortunately, Enham Trust continued to receive support from its regular trusts and foundations, committed regular givers and through legacies.

During the second part of the year, Enham Trust was able to deliver most of its events and activities as planned, including a programme of challenge events with 150,000 feet jumped by supporters of Enham Trust through its annual Skydive - that's just under halfway to reaching space! Enham Trust received £117,000 of donated goods that were sold in the charity shop and sold 400 trees from its Christmas Tree field, both generating income to fund services for disabled people.

Income from charitable trusts and foundations enabled Enham Trust to complete a refurb of the charity shop based in the heart of the local community and progress work with the refurb of Carpenters Cottage, a new scheme that will provide a further housing option for disabled people.

Enham Trust continued to work with local businesses providing opportunities to deliver upon their Corporate Social Responsibility aspirations, working to support Enham Trust in several areas including maintaining its Christmas tree field and delivering its range of garden projects.

During the latter part of the year, investment was made to bring two further roles to the team, a Director of Income Generation to drive its ambitions to grow voluntary income generation and a Business Development Manager to lead and manage income generation from statutory sources. In January 2022, a detailed fundraising review was completed to inform future strategy and investment plans for the 2022/23 financial period.

Enham Trust would like to acknowledge its sincere gratitude and thanks to all supporters and volunteers. Their generosity has directly contributed to improving the happiness and independence of Enham Trust's beneficiaries.

## **5 ENHAM TRUST'S APPROACH TO FUNDRAISING**

Enham Trust is registered with the Fundraising Regulator and carries the Fundraising Regulator Logo on its website as a sign of its ongoing commitment to the principles and aims of that body and sector best practice. It operates in line with the Code of Fundraising Practice and follows guidance and best practice issued by the Chartered Institute of Fundraising.

Enham Trust conducts its fundraising activity through a small fundraising team that it directly employs. As part of Enham Trust's commitment to safeguarding vulnerable individuals, fundraising activity is undertaken in line with comprehensive internal policies and procedures. Staff receive specific training, updated regularly in line with best practice guidelines and to reflect regulatory and legislative changes. All colleagues employed within the fundraising team are members of the Chartered Institute of Fundraising.

Enham Trust takes individual privacy very seriously. In line with GDPR, all supporters continue to be given the option to opt-in to receive marketing materials and campaigns. Two fundraising updates are sent each year to supporters who can opt-out of receiving communication at any time.

Enham Trust is registered with the Fundraising Preference Service and received no suppression requests from the Fundraising Regulator during the year.

Enham Trust received no complaints relating to fundraising activity during the year.

## **6 GOING CONCERN**

The Regulator of Social Housing (RSH) which regulates Enham, has a clear expectation that Enham will manage its affairs so that it remains viable in the short, medium and long term as well as ensuring that it has the finance necessary to meet its on-going commitments. There is also an expectation that there will be the financial capacity to, as a minimum, deal with a reasonable range of adverse scenarios and that the Trust manages associated material risks. Whilst during the period since the year end Enham Trust has merged to become a subsidiary of Aster Group, the requirements of the Trustees to assess the charity as its own entity have not changed. Following assessment of Enham Trust's organisational and operating environments, and other factors, including cashflows, and the support offered by Aster Group, the Trustees have determined that Enham Trust is a going concern and that it is reasonable to prepare the statutory accounts for 2021/22 on a going concern basis. This is discussed in more detail in note 1.5.

## **REPORT OF THE TRUSTEES**

On 1 October 2022 Enham Trust and its subsidiaries joined the Aster Group, at which point, the Enham Trust board was dissolved and Enham Trust became part of the Aster Group's corporate structure. The Trustees in post at the time of signing Enham Trust's annual report and financial statements, were appointed after the period to which the annual report and financial statements relate. Prior to October 2022, Enham Trust adhered to the structure, governance and management detailed in full throughout the Report of the Trustees. On joining the Aster Group in October 2022, Enham Trust became part of the Aster Group's corporate structure, adopting Aster Group's governance arrangements. The governance framework at Aster is structured on the UK Corporate Governance Code ("the Code"). The Code sets out the standards of good practice and the principles that the board of directors should apply in order to promote the purpose, values, and future success of the company. Full details of the Aster Groups corporate structure and governance arrangements are detailed in the Aster Group Limited Annual Report and Financial Statement 31 March 2022.

### **1 STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **RESERVES**

The reserves of Enham Trust have been built up over a number of years. The majority of reserves are represented by fixed assets, such as properties and buildings which are used for service delivery and are not easily realisable.

Restricted reserves: As a registered charity, donations which are made for a specific purpose, can only be used for the purposes identified at the time the gift was made and are required to be identified as restricted reserves until expended in accordance with the donors' intentions. While being restricted, they are included in the total reserves figure but are not available for Enham Trust to use for any other purpose than that intended by the donor.

Revaluation reserves: Where Enham Trust includes assets at valuation any increases in value, as compared to historic costs, which have not been realised are shown in the revaluation reserve.

Revenue reserves: those reserves of Enham Trust which are realised and are available for Enham Trust to use for any purpose.

#### **GOVERNING DOCUMENT**

Enham Trust is a company limited by guarantee and is governed by its Articles of Association. It is a Registered Charity and also a Registered Provider of Social Housing, registered with Homes England and regulated by the Regulator of Social Housing.

#### **RECRUITMENT AND APPOINTMENT OF TRUSTEES**

The charity's Trustees, who are the legal directors of the company, are collectively termed the Board or Trustee Board and are elected by the members of the company. They serve for a three-year term, after which they are eligible for re-election. Trustees can currently serve for a maximum of three such terms. The Board elects the Chairman, the Vice Chairman and the Treasurer. Trustees during the year and up to the date of approval of the Annual Report and the Group Financial Statements are set out on page 1.



New Trustees are recruited via a range of routes. Particular emphasis is placed at the time of recruiting on appointing individuals who can fill identified skill gaps within the Trustee body, whilst endeavouring to ensure that the Board as a whole is representative of the communities and individuals it serves. Enham Trust has a Directors and Officers liability insurance policy which provides cover to the Directors and officers of Enham Trust in their role.

Enham Trust has adopted the National Housing Federation's Code of Governance "Promoting Board Excellence for Housing Associations" published in 2015 (as there was no requirement to immediately adopt the NHF 2020 code, Enham Trust continued to adopt the 2015 NHF Code of Governance). The code aims to help Boards in all sectors to achieve a set of standards in order to be well governed. Enham Trust is fully compliant with the NHF Code 2015.

The Board has a programme of work to ensure that it complies with the Code including an annual review of compliance: based upon this work the Board considers that it fully complies with the 2015 Code.

#### **ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The Board holds meetings at least six times a year in formal session. The Board is responsible for the strategic direction and policy of the organisation. It approves the business plan and related budgets and monitors performance against plan and budget. The Board of Enham Trust has overall responsibility for managing the risks which it faces. Matters not reserved for decision by the Board are delegated to either one of the two committees which report to the Board or to the Chief Executive and Senior Leadership Team.

The committees and working group which report to the Board are as follows:

- The Audit and Risk Committee which reviews matters related to the external audit, considers risk, reviews insurance arrangements and the outcomes of internal audit work.
- The Care Quality Assurance Committee which oversees the delivery of care throughout Enham Trust to ensure that it is safe, effective and person centred.
- Governance Working Group which oversees the design and delivery of action plans to improve Enham Trust's governance arrangements.

During the year ended 31 March 2017, Enham Trust identified that it did not fully meet the requirements of the then Homes and Communities Agency's (now Regulator of Social Housing's) Governance and Viability standard. In accordance with its co-regulatory duty, it advised the regulator about its position and identified the actions necessary to meet the requirements of the Governance and Viability standard. In October 2017 the HCA issued a regulatory notice; the notice concluded that the regulator is of the view that Enham Trust is not compliant with the Governance and Viability Standard and that the board had responded positively and proactively in its approach to resolving the presenting issues and has demonstrated that it is prepared to work

with the regulator to address the challenges that the Trust is facing. The regulator stated that they will continue to monitor Enham Trust closely until it is fully assured that Enham Trust is compliant with the regulatory standards. Enham Trust has worked with the Regulator to evidence its progress towards compliance with the requirements of the Governance and Viability standard. It now considers that it complies with these requirements and, following the merger with Aster Group, the regulatory notice has been withdrawn.

#### **SERVICE USER PARTICIPATION**

Enham Trust is committed to the engagement of its tenants to ensure that they have a clear voice in both the strategic direction and performance of the Trust. During the year, 8 complaints were received; 2 were upheld, 5 were partially upheld and 1 was not upheld.

#### **SUBSIDIARIES AND ASSOCIATE**

During the year, Enham Trust (the parent) had three active subsidiaries, Cedar Services Limited, Enham (Trading) Limited and The Papworth and Enham Foundation. These three companies, together with an associate, Steps to Employment Limited, form the Enham Trust group. The Boards of Cedar Services Limited and Enham (Trading) Limited included Trustees and employees of Enham Trust. The governing body of the Papworth and Enham Foundation included employees and a Trustee of Enham Trust plus others.

#### **ASTER GROUP'S CORPORATE STRUCTURE AND GOVERNANCE ARRANGEMENTS**

On 1 October 2022 Enham Trust and its subsidiaries joined the Aster Group, at which point, the Enham Trust board was dissolved and Enham Trust became part of the Aster Group's corporate structure. The Aster Group operates with an "Overlap Boards" structure to ensure that the group board has full visibility of the subsidiary activities and this overlap enables board members of Aster's registered societies and directors of Aster's companies to fulfil their duties to act in the best interest of the individual entities.

The governance framework at Aster Group is structured on the UK Corporate Governance Code ("the Code"). The Code sets out the standards of good practice and the principles that the board of directors should apply in order to promote the purpose, values, and future success of the company. Full details of Aster Group's corporate structure and governance arrangements are detailed in the Aster Group Limited Annual Report and Financial Statements as at 31 March 2022.

## **2 PUBLIC BENEFIT**

Enham Trust has a long history of working with people with disabilities to help them achieve their full potential. In undertaking both new and existing activities, the Trustees are at all times mindful of the objectives of Enham Trust to support disabled people to live, work and enjoy life.

Whilst the work of Enham Trust supports people over a variety of areas, and a broad geographic spread, the common characteristic of all this work is that it is for those who are potentially vulnerable, is centred on their needs and is of genuine public benefit.

Where individuals benefit from the work of Enham Trust there is a clear link between them and the aims of the organisation. Given the size of Enham Trust, services are necessarily subject to some geographic restrictions, but otherwise access is based on individually assessed need.

The work undertaken by Enham Trust is solely for the benefit of the individuals it supports and as such it is not considered that there are any private benefits provided by the organisation. Enham Trust has concluded that there is no significant detrimental impact from its work. The Trustee Board considers that it has complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance.

### **3 COMMITMENT TO EQUALITY, DIVERSITY AND INCLUSION**

Enham Trust's culture and values are underpinned by The Equality Act, and it recognises that whilst the emphasis of the charity is on disability, it is also clear that one characteristic does not define a person. Enham Trust recognises that many individuals and communities experience unlawful and unfair discrimination and oppression, on the grounds of their disability, caring responsibilities, gender (including transgender and transsexual people), relationship or marital status, race, ethnicity or caste, sexual orientation (because they are lesbian, gay, bisexual or heterosexual), age, HIV status, language, background, faith or religious belief, physical appearance and political opinions. It believes that equality for all is a basic human right and actively opposes all forms of unlawful and unfair discrimination. It celebrates diversity and strives to promote and reflect that diversity within Enham Trust.

As a Disability Confident Leader, Enham Trust is at the forefront of disability rights in the UK. By achieving the highest status under the Department for Work and Pensions Scheme, Enham Trust is recognised as an organisation that removes barriers for disabled people and prioritises assisting them to find work.

Enham Trust is committed to promoting equal opportunities in the access to and provision of services and in all its employment practices. Building a more inclusive workplace is essential for customers and employees and the Dignity at Work policy applies to all employees. Enham Trust is transparent in sharing its Equality, Diversity and Inclusion Report which is available on its website.

### **4 BOARD MEMBERS' RESPONSIBILITIES**

The board members are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulation.

Company law and registered social housing legislation require the board members to prepare financial statements for each financial year. Under that law the board members have prepared the group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland", and applicable law). Under company law and registered social housing legislation the board members must not approve the financial statements unless they are satisfied that

they give a true and fair view of the state of affairs of the group and company and of the surplus or deficit of the group and company for that period. In preparing these financial statements, the board members are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The board members are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The board members are responsible for keeping adequate accounting records that are sufficient to show and explain the group and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered providers of Social Housing 2019.

#### ***Board members' confirmations***

In the case of each board member, who are also the directors of the company, in office at the date the Report of the Trustees is approved:

- so far as the board member is aware, there is no relevant audit information of which the group and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a board member in order to make themselves aware of any relevant audit information and to establish the group and company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

A resolution to appoint KPMG as the independent auditors for Enham Trust will be proposed.

The Strategic Report and Report of the Trustees were approved by the Board of Trustees on 16 March 2023.



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**Bjorn Howard**  
Chief Executive Officer – Enham Trust



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**David Betteridge**  
Company Secretary

# ***Independent auditors' report to the members of Enham Trust***

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, Enham Trust's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 March 2022 and of the group's and company's surplus, and of the group's and company's cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law);
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been properly prepared in accordance with the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Consolidated and Company Statements of Financial Position as at 31 March 2022; the Consolidated and Company Statements of Comprehensive Income, the Consolidated and Company Statements of Changes in Reserves, and the Consolidated and Company Statements of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the group and the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Conclusions relating to going concern**

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

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

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Report of the Trustees, we have also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### *Strategic Report and Report of the Trustees*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Report of the Trustees and the Strategic Report for the year ended 31 March 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and the company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and the Report of Trustees.

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## **Responsibilities for the financial statements and the audit**

### *Responsibilities of the directors for the financial statements*

As explained more fully in the Board Members' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the 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 directors either intend to liquidate the group and the company or to cease operations, or have no realistic alternative but to do so.

### *Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and company, we identified that the principal risks of non-compliance with laws and regulations related to the regulations imposed by being a Registered Social Landlord, being registered with the Care Quality Commission and employment law and regulation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to overstatement of the operating result through inappropriate revenue recognition or understatement of expenditure. Audit procedures performed included:

- Discussions with management and those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions made by management in relation to areas of judgement and significant accounting estimates;
- Testing journal entries meeting set risk criteria, in particular any journal entries posted with unexpected account combinations resulting in a credit entry to revenue or expenditure;
- Detailed substantive testing of revenue with reference to third party supporting documentation in light of revenue recognition criteria of FRS 102 and testing of profits on the disposal of fixed assets;
- Incorporating elements of unpredictability into the audit procedures performed; and
- Agreeing the financial statement disclosures to supporting documentation to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial

statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and Section 128 of the Housing and Regeneration Act 2008 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## Other required reporting

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### Companies Act 2006 exception reporting

Under the Companies Act 2006 ("CA06") and the Housing and Regeneration Act 2008 ("HRA08") we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit (CA06, HRA08); or
- adequate accounting records have not been kept by the company (CA06); or
- certain disclosures of directors' remuneration specified by law are not made (CA06); or
- the company financial statements are not in agreement with the accounting records and returns (CA06); or
- proper accounting records of assets and liabilities in relation to housing activities have not been kept by the company (HRA08); or
- the company has not maintained a satisfactory system of control of those records, its cash holdings and its receipts and remittances in relation to those activities (HRA08).

We have no exceptions to report arising from this responsibility.



Sasha Lewis (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Southampton  
31 March 2023



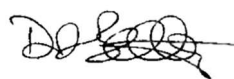
**Consolidated Statement of Comprehensive Income  
for the year ended 31 March 2022**

		Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total
	Note	2022 £'000	2022 £'000	2022 £'000	2021 £'000	2021 £'000	2021 £'000
Revenue	2	8,434	-	8,434	7,840	91	7,931
Other income	4	941	-	941	802	-	802
Operating expenditure	2	(9,766)	-	(9,766)	(8,696)	(184)	(8,880)
Impairment of fixed assets	2	-	-	-	-	42	42
<b>OPERATING DEFICIT</b>		<b>(391)</b>	<b>-</b>	<b>(391)</b>	<b>(54)</b>	<b>(51)</b>	<b>(105)</b>
Gain on disposal of fixed assets	6	1,106	-	1,106	1,499	33	1,532
Interest receivable	5	12	-	12	12	-	12
Interest payable and financing costs	5	(124)	-	(124)	(113)	-	(113)
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>	<b>6</b>	<b>603</b>	<b>-</b>	<b>603</b>	<b>1,344</b>	<b>(18)</b>	<b>1,326</b>
<b>OTHER COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR</b>							
Actuarial gain / (loss) in respect of the pension scheme	24.1	57	-	57	(1,247)	-	(1,247)
<b>OTHER COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR</b>		<b>57</b>	<b>-</b>	<b>57</b>	<b>(1,247)</b>	<b>-</b>	<b>(1,247)</b>
<b>TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR</b>		<b>660</b>	<b>-</b>	<b>660</b>	<b>97</b>	<b>(18)</b>	<b>79</b>
<b>TOTAL COMPREHENSIVE INCOME / (EXPENSE) ATTRIBUTABLE TO:</b>							
Owners of the parent		674	-	674	30	(18)	12
Equity minority interests		(14)	-	(14)	67	-	67

The financial statements on page 24 to 68 were approved and authorised for issue by the Board on 16 March 2023.



**Bjorn Howard**  
Chief Executive Officer – Enham Trust



**David Betteridge**  
Company Secretary

**Company Statement of Comprehensive Income  
for the year ended 31 March 2022**

		Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total
	Note	2022 £'000	2022 £'000	2022 £'000	2021 £'000	2021 £'000	2021 £'000
Revenue	2	8,434	-	8,434	7,840	91	7,931
Other income	4	941	-	941	662	-	662
Operating expenditure	2	(9,736)	-	(9,736)	(8,696)	(184)	(8,880)
Impairment of fixed assets	2	-	-	-	-	42	42
<b>OPERATING DEFICIT</b>		<b>(361)</b>	<b>-</b>	<b>(361)</b>	<b>(194)</b>	<b>(51)</b>	<b>(245)</b>
Gain on disposal of fixed assets	6	1,106	-	1,106	1,499	33	1,532
Interest receivable	5	12	-	12	12	-	12
Interest payable and financing costs	5	(124)	-	(124)	(113)	-	(113)
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>	<b>6</b>	<b>633</b>	<b>-</b>	<b>633</b>	<b>1,204</b>	<b>(18)</b>	<b>1,186</b>
<b>OTHER COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR</b>							
Actuarial gain / (loss) in respect of the pension scheme	24.1	57	-	57	(1,247)	-	(1,247)
<b>OTHER COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR</b>		<b>57</b>	<b>-</b>	<b>57</b>	<b>(1,247)</b>	<b>-</b>	<b>(1,247)</b>
<b>TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR</b>		<b>690</b>	<b>-</b>	<b>690</b>	<b>(43)</b>	<b>(18)</b>	<b>(61)</b>

The financial statements on page 24 to 68 were approved and authorised for issue by the Board on 16 March 2023.



**Bjorn Howard**  
Chief Executive Officer – Enham Trust



**David Betteridge**  
Company Secretary


**Consolidated and Company Statements of Financial Position  
as at 31 March 2022**

		Group	Group	Company	Company
	Note	2022 £'000	2021 £'000	2022 £'000	2021 £'000
<b>FIXED ASSETS</b>					
Tangible fixed assets	10	11,226	10,432	11,226	10,432
Investments	11	378	378	373	373
<b>TOTAL FIXED ASSETS</b>		<b>11,604</b>	<b>10,810</b>	<b>11,599</b>	<b>10,805</b>
<b>CURRENT ASSETS</b>					
Stocks	12	82	97	82	97
Debtors due within one year	13	1,200	811	1,096	676
Cash at bank and in hand		1,252	2,302	1,241	2,292
<b>TOTAL CURRENT ASSETS</b>		<b>2,534</b>	<b>3,210</b>	<b>2,419</b>	<b>3,065</b>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>					
Creditors	14	(1,887)	(1,405)	(1,887)	(1,405)
Loans	14	(2,815)	(3,419)	(2,815)	(3,419)
<b>TOTAL CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		<b>(4,702)</b>	<b>(4,824)</b>	<b>(4,702)</b>	<b>(4,824)</b>
<b>NET CURRENT LIABILITIES</b>		<b>(2,168)</b>	<b>(1,614)</b>	<b>(2,283)</b>	<b>(1,759)</b>
<b>CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR</b>					
Creditors	15	(1,388)	(1,406)	(1,388)	(1,406)
Pension deficit	24.1	(1,692)	(2,069)	(1,692)	(2,069)
Provisions	25	(310)	(335)	(310)	(335)
<b>TOTAL CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR</b>		<b>(3,390)</b>	<b>(3,810)</b>	<b>(3,390)</b>	<b>(3,810)</b>
<b>NET ASSETS</b>		<b>6,046</b>	<b>5,386</b>	<b>5,926</b>	<b>5,236</b>
<b>CAPITAL AND RESERVES</b>					
Revaluation reserves		295	295	295	295
Restricted reserves	19	49	49	49	49
Revenue reserves		5,647	4,973	5,582	4,892
		5,991	5,317	5,926	5,236
Minority Interest		55	69	-	-
<b>TOTAL CAPITAL AND RESERVES</b>		<b>6,046</b>	<b>5,386</b>	<b>5,926</b>	<b>5,236</b>

The financial statements on page 24 to 68 were approved and authorised for issue by the Board on 16 March 2023.



**Bjorn Howard**  
Chief Executive Officer – Enham Trust



**David Betteridge**  
Company Secretary

**Consolidated Statement of Changes in Reserves  
for the year ended 31 March 2022**

	Revenue reserves	Restricted reserves	Revaluation reserve	Total excluding non- controlling interest	Non- controlling interest	Total including non- controlling interest	Restricted fund	Unrestricted fund
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance as at 1 April 2021</b>	4,973	49	295	<b>5,317</b>	69	<b>5,386</b>	49	5,337
Surplus / (deficit) from statement of comprehensive income	617	-	-	<b>617</b>	(14)	<b>603</b>	-	603
Actuarial gain in respect of pension scheme	57	-	-	<b>57</b>	-	<b>57</b>	-	57
<b>Balance as at 31 March 2022</b>	<b>5,647</b>	<b>49</b>	<b>295</b>	<b>5,991</b>	<b>55</b>	<b>6,046</b>	<b>49</b>	<b>5,997</b>

	Revenue reserves	Restricted reserves	Revaluation reserve	Total excluding non- controlling interest	Non- controlling interest	Total including non- controlling interest	Restricted fund	Unrestricted fund
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance as at 1 April 2020</b>	4,747	56	502	<b>5,305</b>	2	<b>5,307</b>	56	5,251
Surplus from statement of comprehensive income	1,159	100	-	<b>1,259</b>	67	<b>1,326</b>	100	1,226
Transfer from revaluation reserve to income and expenditure	207	-	(207)	-	-	-	-	-
Transfer from restricted to unrestricted reserves	107	(107)	-	-	-	-	(107)	107
Actuarial loss in respect of pension scheme	(1,247)	-	-	<b>(1,247)</b>	-	<b>(1,247)</b>	-	(1,247)
<b>Balance as at 31 March 2021</b>	<b>4,973</b>	<b>49</b>	<b>295</b>	<b>5,317</b>	<b>69</b>	<b>5,386</b>	<b>49</b>	<b>5,337</b>

**Company Statement of Changes in Reserves  
for the year ended 31 March 2022**

	Revenue reserves	Restricted reserves	Revaluation reserve	Total	Restricted fund	Unrestricted fund
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance as at 1 April 2021</b>	4,892	49	295	<b>5,236</b>	49	5,187
Surplus from statement of comprehensive income	633	-	-	<b>633</b>	-	633
Actuarial gain in respect of pension scheme	57	-	-	<b>57</b>	-	57
<b>Balance as at 31 March 2022</b>	<b>5,582</b>	<b>49</b>	<b>295</b>	<b>5,926</b>	<b>49</b>	<b>5,877</b>

	Revenue reserves	Restricted reserves	Revaluation reserve	Total	Restricted fund	Unrestricted fund
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance as at 1 April 2020</b>	4,739	56	502	<b>5,297</b>	56	5,241
Surplus from statement of comprehensive income	1,086	100	-	<b>1,186</b>	100	1,086
Transfer from revaluation reserve to unrestricted reserves	207	-	(207)	-	-	-
Transfer from restricted to unrestricted reserves	107	(107)	-	-	(107)	107
Actuarial loss in respect of pension scheme	(1,247)	-	-	<b>(1,247)</b>	-	(1,247)
<b>Balance as at 31 March 2021</b>	<b>4,892</b>	<b>49</b>	<b>295</b>	<b>5,236</b>	<b>49</b>	<b>5,187</b>

**Consolidated Statement of Cash Flows  
for the year ended 31 March 2022**

		2022	2021
	Note	£'000	£'000
<b>Cash flows from operating activities</b>			
Operating deficit for the year		(391)	(105)
Depreciation of fixed assets	10	527	603
Impairment of fixed assets		-	(42)
Amortisation of social housing grants	16	(51)	(84)
Decrease / (Increase) in stocks	12	15	(1)
Increase in debtors	13	(389)	(54)
Increase in creditors	14/15	515	48
Pension contributions made in the year		(360)	(354)
Decrease in provision	25	(25)	(41)
Share of deficit from interest in associate	22	-	1
<b>Net cash used in operating activities</b>		<b>(159)</b>	<b>(29)</b>
<b>Cash flows from investing activities</b>			
Income from investment portfolio and bank interest	5	1	1
Payments to acquire tangible fixed assets	10	(1,383)	(215)
Income from fixed asset investments	5	11	11
Proceeds from disposal of fixed assets		1,168	1,930
<b>Net cash (used in) / generated from investing activities</b>		<b>(203)</b>	<b>1,727</b>
<b>Cash flow from financing activities</b>			
New bank loan	14	700	(119)
Repayment of bank loan	14	(1,304)	
Interest Paid	5	(84)	(90)
<b>Net cash used in financing activities</b>		<b>(688)</b>	<b>(209)</b>
Net (decrease) / increase in cash and cash equivalents		(1,050)	1,489
Cash and cash equivalents at the beginning of the year	23	2,302	813
<b>Cash and cash equivalents at the end of the year</b>	23	<b>1,252</b>	<b>2,302</b>

**Company Statement of Cash Flows  
for the year ended 31 March 2022**

		<b>2022</b>	<b>2021</b>
	<b>Note</b>	<b>£'000</b>	<b>£'000</b>
<b>Cash flows from operating activities</b>			
Operating deficit for the year		(361)	(245)
Depreciation of fixed assets	10	527	603
Impairment of fixed assets		-	(42)
Amortisation of social housing grants	16	(51)	(84)
Decrease / (increase) in stocks	12	15	(1)
(Increase) / decrease in debtors	13	(420)	87
Increase in creditors	14/15	515	48
Pension contributions made in the year		(360)	(354)
Decrease in provision	25	(25)	(41)
<b>Net cash used in operating activities</b>		<b>(160)</b>	<b>(29)</b>
<b>Cash flows from investing activities</b>			
Income from investment portfolio and bank interest	5	1	1
Payments to acquire tangible fixed assets	10	(1,383)	(215)
Income from fixed asset investments	5	11	11
Proceeds from disposal of fixed assets		1,168	1,930
<b>Net cash (used in) / generated from investing activities</b>		<b>(203)</b>	<b>1,727</b>
<b>Cash flow from financing activities</b>			
New bank loan	14	700	(119)
Repayment of bank loan		(1,304)	
Interest Paid	5	(84)	(90)
<b>Net cash used in financing activities</b>		<b>(688)</b>	<b>(209)</b>
Net (decrease) / increase in cash and cash equivalents		(1,051)	1,489
Cash and cash equivalents at the beginning of the year	23	2,292	803
<b>Cash and cash equivalents at the end of the year</b>	<b>23</b>	<b>1,241</b>	<b>2,292</b>

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

### **1. ACCOUNTING POLICIES**

#### **1.1 Legal status**

Enham Trust is a private company limited by guarantee incorporated in England under the Companies Act (company registration number 00173199), it is a registered charity (charity number 211235) and is registered with the Regulator of Social Housing (Registered number LH0526) as a Private Registered Provider of Social Housing. Enham Trust operates as a Public Benefit Entity, its registered office is Enham Place, Enham Alamein, Andover, Hampshire, SP11 6JS.

In addition to Enham Trust, the Group comprises the following entities, none of which are registered with the Regulator of Social Housing, all have their registered address at Enham Place, Enham Alamein, Andover, Hampshire, SP11 6JS unless specifically stated otherwise:

Cedar Services Limited is incorporated in England as a private company limited by share capital (company number 3282839). Its sole activity is to provide property development services to Enham Trust. The parent company holds 2 ordinary shares of £1 in its subsidiary Cedar Services Limited. This represents 100% of the issued share capital.

Enham (Trading) Limited is incorporated in England as a private company limited by guarantee (company number 4228452). Its sole activity is as an investment company. It did not engage in any income generating activities in the year ended 31 March 2022 and this is expected to remain so for the foreseeable future.

The Papworth and Enham Foundation is a company limited by guarantee incorporated in England (company number 502119) and is a registered charity (charity number 277670). Its main objective is to assist people with disabilities, which is achieved by raising appeal funds for the Papworth Trust and Enham Trust. Enham Trust is deemed to control 52.5% of the company.

Steps to Employment Limited is incorporated in England as a private company limited by share capital (company number 9282877). Its purpose is to provide employment-related services for disabled and disadvantaged people. Enham Trust holds 2 ordinary shares of £1 in its associate Steps to Employment Limited. This represents 33.3% of the issued share capital of that company. This is considered to be an associate.

#### **1.2 Basis of preparation**

The Group's financial statements have been prepared in accordance with applicable United Kingdom Generally Accepted Accounting Practice (UK GAAP), which comprises FRS 102 The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Statement of Recommended Practice for registered housing providers: Housing SORP 2018 as it applies for the financial statements of the Group, for the year ended 31 March 2022. The Group is required under the Companies



Act 2006 to prepare consolidated group financial statements as described in note 1.3. The financial statements are prepared on the going concern basis as described in note 1.5.

The financial statements comply with the Housing and Regeneration Act 2008, the Companies Act 2006 and the Accounting Direction for Private Registered Providers of Social Housing 2019. The financial statements are prepared on a going concern basis as detailed in note 1.5. The financial statements are prepared on the historical cost basis of accounting, except for investments and pension fund liabilities, and on an accruals basis and are presented in pounds sterling.

### **1.3 Basis of consolidation**

The group financial statements are the result of the consolidation of the financial statements of Enham Trust and of its subsidiaries, Cedar Services Limited, Enham (Trading) Limited and The Papworth and Enham Foundation. Intra-group income and expenses are eliminated fully on consolidation.

### **1.4 Associates**

An entity is treated as an associated undertaking where the Group has significant influence, but it is neither a subsidiary nor interest in a joint venture. Significant influence is the power to participate in financial and operating decisions of the associate but not to control them.

In the Group financial statements, associates are accounted for using the equity method. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investor's share of the profit or loss, other comprehensive income and equity of the associate. The Group's share of the identifiable reserves, attributable to its associate, are shown separately in note 11 and are included in the Consolidated Statement of Financial Position. The net movement in the share of reserves for the year is shown in note 4 and is included in the Consolidated Statement of Comprehensive Income.

### **1.5 Going concern**

#### **Introduction**

The Regulator of Social Housing (RSH) which regulates Enham, has a clear expectation that Enham will manage its affairs so that it remains viable in the short, medium and long term as well as ensuring that it has the finance necessary to meet its on-going commitments. There is also an expectation that there will be the financial capacity to, as a minimum, deal with a reasonable range of adverse scenarios and that the Trust manages associated material risks.

Whilst during the period since the year end Enham Trust has merged to become a subsidiary of Aster Group, the requirements of the Trustees to assess the charity as its own entity have not changed. The Trustees expectations therefore both during the financial year as well as pre and post-merger about organisational cashflow management remain consistent with the regulators.

### **Requirements to assess going concern**

In addition to the regular organisational consideration of cashflows and viability that Enham undertakes, it is appropriate, that prior to the approval of the accounts by the Trustees, that formal consideration is given to organisation's cashflow.

Trustee's responsibilities for preparing the report and financial statements are formally set out in the statutory accounts. One of these requirements is to "prepare the accounts on a going concern basis unless it is inappropriate to presume that Enham will continue in business."

Under the going concern concept, it is assumed that a company will continue in operation and that there is neither the intention, nor the need to either liquidate it or to cease all operations.

Clearly Enham has no intention of ceasing all of its operations, so the relevant question to be considered in the current assessment is whether there could be a need to cease operations. In assessing whether or not a need to cease operations might arise it is normal to assess going concern against two tests:

- the balance sheet test - that organisational assets exceed liabilities, and
- the cashflow test – that the organisation can meet its liabilities as they fall due.

Enham demonstrably easily meets the requirements of the balance sheet test and no further work is required in this area. It is the cashflow test that requires more careful consideration by the Trustees. Inevitably when considering projections of future performance, such as cashflows, one of the issues is over how long a timescale the projections be prepared. Whilst Enham have developed strategic business plans to 2025, following the merger with Aster Group these are all being reviewed, and a new strategy developed taking in to account the additional resources, skills and expertise that being a part of Aster Group brings to Enham. When assessing the validity of the going concern basis the relevant timescale is a year from the date of signing the balance sheet and for these purposes 31 March 2024 has been used.

### **Analysing the structure of Cashflow**

Aster Group provided Enham Trust with a £2m line of credit pre-merger, the line of credit has been utilised to meet ongoing operational and capital cashflow requirements, this ensured that Enham could meet all payments as and when they fell due. Post-merger Aster Group increased the line of credit to £6m, this included the requirement for Enham Trust to repay the loans to CAF Bank, amounting to £2.8m. The loans were repaid on 1 December 2022 removing all covenant requirements. The total amount of the line of credit utilised to the date of approval of these financial statements is £4.8m, there is £1.2m remaining of the current agreed inter group credit arrangement.

Enham Trust, at the financial year end, was undertaking a significant building project transitioning the care homes to Specialist Supported Housing (SSH) with Care. This has a major cost requirement and the project costs had significantly increased from

the outset of the project and due to the impact of the capital requirement the Trustees paused the project indefinitely with just one care home transition to SSH being completed. The total capital cost of the project amounts to £1m, this has been paid via operational cash and cash through the line of credit from Aster Group.

It is considered that in assessing the future cashflow and going concern position of Enham that the merger of Enham Trust into the Aster Group, Aster Group's commitment to the longer-term plan to stabilise Enham Trust along with the line of credit provided should be considered when assessing on-going operational cashflow requirements.

### **On-going cashflow forecast**

The on-going cashflow forecast has been prepared from 1 December 2022. In terms of operational cashflow, as salaries are paid on the last day of the month, this can be expected to be the lowest point any given month. In addition the cash figure has excluded amounts that are being held as restricted funds.

The on-going cashflow forecast has been projected on the basis of outturn performance to the end of March 2024, on a conservative budget basis which includes all current expenditure and employee roles continuing, though some roles will be integrated into Aster Group and there is a project on going to restructure Care staffing along with renegotiation of Care Fees with local commissioners which will improve the financial and cashflow position. In addition fundraising income has been markedly reduced to reflect the risks associated with donations along with funds from Grants and Trusts slowing down due to the ongoing financial results of Enham and whilst the merger with Aster Group is embedded and understood.

Enham Trust has £1.2m of the currently agreed line of credit available; Aster Group has acknowledged that this may and will be extended should it so be required in order to stabilise Enham Trust whilst the various aspects of integration are completed along with the review of the Care provision, the 100% stock condition survey and determining the future use of the charity's assets which includes Carpenters Cottage and Cedar Park apartments, both of which are currently empty.

### **Conclusions**

On the basis that:

1. The budget for 2023/24 has been approved, and
2. That the Aster Group have committed to supporting the stabilisation and turnaround of Enham Trust both in terms of operational and financial support and expertise, with currently £1.2m available of the line of credit agreed November 2022 and has committed through a letter of support to ensuring sufficient funding to maintain Enham Trust as a going concern
3. That there are no loan covenant requirements with the Unity loan having been repaid February 2022 and both CAF loans repaid December 2022

then the trustees have a reasonable basis for assuming that operational cashflow requirements can be met on an on-going basis. Therefore, on the basis of information currently available to Trustees, it appears reasonable to conclude that Enham Trust is a going concern and it is reasonable to prepare the statutory accounts for 2021/22 on a going- concern basis.

## 1.6 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of an estimate means that the actual outcomes could differ from those estimates. Key judgements are:

- a. **Categorisation of properties** The Group has undertaken a detailed review of the intended use of all its properties. In determining the intended use, the Group has considered if the asset is held for social benefit or to earn commercial rentals. The Group has determined that those earning commercial rents are investment properties and those for social benefit are property, plant and equipment.
- b. **Impairment** The Group has identified cash generating units for impairment purposes using the basis on which they are grouped for service delivery, such as those which share service charges, a single complex, or a street.

Key sources of estimation and assumptions are as follows:

- a. **Tangible fixed assets** are depreciated over their useful lives considering residual values, where appropriate. The actual lives of assets and their residual values are assessed annually and may vary depending upon several factors. In re-assessing asset lives, factors such as technological innovation, product lifecycles and maintenance programmes are considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- b. **Revaluation of investment properties:** The Group carries its investment property at fair value with changes in fair value being recognised in the Statement of Comprehensive Income.
- c. **Pensions and other post-employment benefits: Social Housing Pension Scheme (SHPS) – defined benefit structure:** The Group's liability in respect of the SHPS defined benefit multi-employer scheme has been recognised in accordance with the requirements of FRS 102 in respect of accounting for defined benefit pension schemes. The assumptions used in calculating this liability are detailed in Note 24.1.
- d. **Impairment of non-financial assets:** Reviews for impairment of properties are carried out annually, or when a trigger has occurred, and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. A cash generating unit is normally properties as grouped for service delivery. Following a trigger for impairment, the Group performs impairment tests based on fair value less costs to sell, or a value in use calculation. The fair value less costs to sell calculation is based on available data from sales transactions on similar cash generating units (or properties), or observable market prices less

incremental costs for disposing of the properties. The value in use calculation is based on either a depreciated replacement cost or a discounted cashflow model. The depreciated replacement cost is based on available data of the cost of constructing or acquiring replacement properties to provide the same level of service potential to the Group as the existing property.

## **1.7 Income recognition**

Revenue represents rental income receivable, amortised capital grant, voluntary and other revenue grants and fees from national governments and local authorities, voluntary income, income from the sale of goods and services and other income.

Income from the sale of goods and services is recognised in the period where the goods or services have been supplied.

Rental income is recognised when the property is available for let net of voids.

All grants other than Social Housing Grant are recognised once the Charity has entitlement to the income, any performance conditions attached to the items of income have been met or can be met, it is probable that the income will be received, and the amount of the income receivable can be measured reliably.

Where properties have been financed wholly or in part by Social Housing Grants, the amount of grant received has been included as deferred income and recognised in revenue over the estimated useful life of the associated asset structure (not land), under the accruals model.

Social Housing Grant must be recycled by the Group under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the Social Housing Grant may be used for projects approved by the Homes England. However, Social Housing Grant may have to be repaid if certain conditions are not met. In certain circumstances Social Housing Grant may be repayable and, in that event, it is a subordinated unsecured repayable debt.

Contractual income, including care income, is recognised under the terms of contractual arrangements.

Investment income is recognised on an accruals basis.

Donations and legacies are recognised as income where there is evidence of entitlement, receipt is probable, and the amount can be measured reliably. Voluntary income restricted as to use by the donor and unexpended at the period end is transferred to restricted reserves. Donated goods are recognised at market value where it is ascertainable and material to the financial statements, with an adjustment based on their worth to the charity. General volunteer time is not recognised in the financial statements.

Income from employment services is recognised as claims are presented to the Department for Work and Pensions.

Income from education services is received in respect of academic years which end on 31 July. Ordinarily income is recognised as defined learner targets and outcomes are achieved. Where this basis would lead to the recognition of all the income for an academic year before the end of that academic year, then income recognition will be restricted to ensure that sufficient income remains to meet the full costs of providing the service for the balance of the academic year.

## **1.8 Service charges**

Service charge income and costs are recognised on an accruals basis. The Group operates both fixed and variable service charges on a service-by-service basis. Where variable service charges are used the charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to residents by a reduced charge and the deficit being recovered by a higher charge. Until these are returned or recovered, they are held as creditors or debtors in the Statement of Financial Position.

## **1.9 Taxation**

The charities within the Group are exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

The wholly owned non-charitable subsidiaries' profits are normally gift aided to the parent and, as such, normally no taxation liabilities are incurred in those subsidiaries.

## **1.10 Employee benefits**

The Group provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans. The costs of these are recognised in same period in which the employee earned the entitlement to the benefit.

## **1.11 Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and been carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement.

## **1.12 VAT**

The Group charges VAT on some of its income and can recover part of the VAT it incurs on expenditure. All amounts disclosed in the financial statements are inclusive of VAT to the extent that it is suffered by the Group and not recoverable.

### 1.13 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, less accumulated depreciation. Freehold land is not depreciated. Housing and other properties under construction are stated at cost and are not depreciated, other than where an impairment charge has been assessed as being required. These are reclassified as appropriate on practical completion of construction.

Where a property comprises two or more major components with substantially different useful economic lives, each component is accounted for separately and depreciated over its individual useful economic life. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

The Group depreciates freehold properties by component on a straight-line basis over the estimated useful economic lives of the component categories. The useful economic lives for identified components are as follows:

Boilers	10 Years
Kitchens	20 Years
Bathrooms	30 Years
Windows	30 Years
Roofs	50 Years
Structures	50 Years

The Group depreciates expenditure on properties held on long term leases in the same manner as freehold properties or over the term of the lease, whichever is the shorter.

Depreciation is charged on other tangible fixed assets on a straight-line basis, over the estimated economic useful lives which are as follows:

Fire safety systems	25 Years
Plant and equipment	3 to 10 Years
Motor Vehicles	4 Years

Where appropriate, provision has been made for impairment in the value of tangible fixed assets.

### 1.14 Capitalisation of interest and staff costs

Interest on loans financing development is capitalised up to the date of completion of the scheme and only when development activity is in progress. Staff costs relating to development activities are capitalised only to the extent that they are incremental to the development process and directly attributable to bringing the property to its intended use.

### **1.15 Leasing and hire purchase**

Where assets are financed by hire purchase contracts and leasing arrangements that give rights approximating to ownership (finance leases), they are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. They are depreciated over the shorter of the lease term and their economic useful lives. The corresponding leasing commitments are shown as obligations to the lessor in creditors.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the Statement of Comprehensive Income over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

Other leases are treated as operating leases and charged to the Statement of Comprehensive Income as incurred.

### **1.16 Investment property**

Investment property includes commercial and other properties not held for the social benefit of the Group. Investment property is measured at cost on initial recognition, which includes purchase cost and any directly attributable expenditure, and subsequently at fair value at the reporting date. Fair value is determined annually and derived from current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

### **1.17 Valuation of investments**

Investments in subsidiaries and associate are measured at cost less accumulated impairment.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Statement of Comprehensive Income, except those investments in equity instruments that are not publicly traded, and whose fair values cannot be measured reliably, are measured at cost less impairment.

### **1.18 Stock held for sale**

Stock of materials is stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.



### **1.19 Short-term debtors and creditors**

Debtors and creditors with no stated interest rate, and receivable or payable within one year, are recorded at amortised cost. Any losses arising from impairment are recognised in the Statement of Comprehensive Income in other operating expenses.

### **1.20 Recycling of Capital Grant**

Where Social Housing Grant is recycled as described in 1.7 it is credited to a fund which appears as a creditor until used to fund either the acquisition of new properties or another purpose approved by Homes England. Where recycled grant is known to be repayable it is shown as a creditor within one year.

### **1.21 Retirement benefits**

The cost of providing retirement pensions and related benefits for current employees is charged as an expense over the period benefiting from the employee's services.

The pension liabilities and assets in respect of the SHPS pension scheme, which is closed to future accrual are recorded in line with FRS 102, with a valuation undertaken by an independent actuary. FRS 102 measures the value of the pension assets and liabilities at the date of the Statement of Financial Position and determines the interest on assets and liabilities. The value of the net interest and administrative costs are used to determine the pensions charge in the Statement of Comprehensive income. The change in the value of assets and liabilities arising from asset valuation, changes in benefits, actuarial assumptions or changes in the level of deficit attributable to members is recognised in the Statement of Comprehensive Income within actuarial gains/losses on defined benefit pension schemes. The pension liability is reflected in the Statement of Financial Position.

The Growth Plan is a defined benefit multi-employer pension scheme which is closed to future accrual. Enham Trust has been advised by the Scheme administrators that it is not possible to identify Enham Trust's share of the underlying assets of the Growth Plan and hence Enham Trust's share of the deficit is deemed to be the deficit contributions payable by Enham Trust and is recorded as a liability in the Statement of Financial Position.

### **1.22 Revaluation reserve**

The revaluation reserve represents the difference between the fair value of investments and the historical cost carrying value.

### **1.23 Restricted reserves**

The reserve represents the unexpended amount of donations received where the donor has attached specific restrictions as to how the donation will be used, which have not yet been met.

## 1.24 Financial Instruments

Enham Trust only enters basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at transaction price and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at the market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the asset are transferred to another party, or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing any additional restrictions.

Basic financial liabilities, including trade and other payables and loans from third parties, are initially recognised at transaction price. Such liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Financial assets and liabilities are offset, and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

## 1.25 Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when Enham Trust has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure.

## 2. Revenue, operating expenditure and operating deficit by activity

		Group Year ended 31 March 2022				Group Year ended 31 March 2021			
		Revenue	Operating Expenditure	Impairment of Fixed Assets	Operating Deficit	Revenue	Operating Expenditure	Impairment of Fixed Assets	Operating Deficit
	Note	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Continuing Activities									
Social Housing Activities									
Residential Accommodation	3	1,690	(995)	-	695	1,608	(1,244)	-	364
Care and transition		3,425	(3,624)	-	(199)	3,617	(4,278)	-	(661)
Activities other than social housing									
Information, Advice and Guidance		1,155	(831)		324	1,126	(1,080)	-	46
Employment and skills		1,160	(796)		364	996	(884)	-	112
Social Enterprises		1,004	(3,417)		(2,413)	493	(832)	-	(339)
Other income	4	941	(103)	-	838	802	(377)	-	425
Total before discontinued activities		9,375	(9,766)	-	(391)	8,642	(8,696)	-	(54)
Discontinued Activities									
Social Enterprises		-	-	-	-	91	(184)	42	(51)
Total including discontinued activities		9,375	(9,766)	-	(391)	8,733	(8,880)	42	(105)

**Enham Trust Annual Report and Financial Statements**  
**for the year ended 31 March 2022**

		Company Year ended 31 March 2022				Company Year ended 31 March 2021			
		Revenue	Operating Expenditure	Impairment of Fixed Assets	Operating Deficit	Revenue	Operating Expenditure	Impairment of Fixed Assets	Operating Deficit
	Note	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Continuing Activities									
Social Housing Activities									
Residential Accommodation	3	1,690	(995)	-	695	1,608	(1,244)	-	364
Care and transition		3,425	(3,624)	-	(199)	3,617	(4,278)	-	(661)
Activities other than social housing									
Information, Advice and Guidance		1,155	(831)		324	1,126	(1,080)	-	46
Employment and skills		1,160	(796)		364	996	(884)	-	112
Social Enterprises		1,004	(3,417)		(2,413)	493	(832)	-	(339)
Other income	4	941	(73)	-	868	662	(377)	-	285
Total before discontinued activities		9,375	(9,736)	-	(361)	8,502	(8,696)	-	(194)
Discontinued Activities									
Social Enterprises		-	-	-	-	91	(184)	42	(51)
Total including discontinued activities		9,375	(9,736)	-	(361)	8,593	(8,880)	42	(245)

### 3. Social Housing Activities

	Group and Company Year ended 31 March 2022				Group and Company Year ended 31 March 2021			
	General Needs Housing	Supported Housing	Other Properties	Total	General Needs Housing	Supported Housing	Other Properties	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Income</b>								
<b>Income from residential lettings</b>								
Rents	1,010	447	79	1,536	989	403	83	1,475
Service charges	42	116	7	165	51	120	7	178
	<b>1,052</b>	<b>563</b>	<b>86</b>	<b>1,701</b>	<b>1,040</b>	<b>523</b>	<b>90</b>	<b>1,653</b>
Less rent losses from voids	(37)	(31)	-	(68)	(27)	(27)	(18)	(72)
	<b>1,015</b>	<b>532</b>	<b>86</b>	<b>1,633</b>	<b>1,013</b>	<b>496</b>	<b>72</b>	<b>1,581</b>
Grant amortisation	57	-	-	57	19	-	-	19
Other income	-	-	-	-	8	-	-	8
<b>Total income</b>	<b>1,072</b>	<b>532</b>	<b>86</b>	<b>1,690</b>	<b>1,040</b>	<b>496</b>	<b>72</b>	<b>1,608</b>
<b>Expenditure</b>								
Services	110	144	18	272	66	116	18	200
Management	65	2	1	68	117	8	2	127
Routine maintenance	257	4	2	263	319	33	8	360
Depreciation	179	55	25	259	151	122	72	345
Central support costs	105	27	1	133	161	36	15	212
<b>Total expenditure</b>	<b>716</b>	<b>232</b>	<b>47</b>	<b>995</b>	<b>814</b>	<b>315</b>	<b>115</b>	<b>1,244</b>
<b>Operating surplus on social housing</b>	<b>356</b>	<b>300</b>	<b>39</b>	<b>695</b>	<b>226</b>	<b>181</b>	<b>(43)</b>	<b>364</b>

At the year-end, the number of units of accommodation owned and managed by Enham Trust were:

	2022 Number	2021 Number
General needs housing	142	145
Supported housing	79	79
Residential care	56	56
Other housing	36	36
	<b>313</b>	<b>316</b>

#### 4. Other income

	Group 2022	Group 2021	Company 2022	Company 2021
	£'000	£'000	£'000	£'000
Donations	831	161	831	161
Grants	25	302	25	302
Legacies	53	326	53	185
Events	32	14	32	14
Decrease in Associate reserves	-	(1)	-	-
	<b>941</b>	<b>802</b>	<b>941</b>	<b>662</b>

#### 5. Interest and Financing Costs

##### a) Interest Receivable

	Group and Company	
	2022	2021
	£'000	£'000
Income from investment portfolio	1	1
Rent from investment properties	11	11
	<b>12</b>	<b>12</b>

##### b) Interest Payable and financing costs

	Group and Company	
	2022	2021
	£'000	£'000
Loan interest	84	90
Net interest expense for pension liability (note 24.1)	40	23
	<b>124</b>	<b>113</b>

## 6. Surplus / (Deficit) for the year

The surplus / (deficit) for the year is stated after charging / (crediting):

	Group 2022	Group 2021	Company 2022	Company 2021
	£'000	£'000	£'000	£'000
Auditors' remuneration - (fees payable for audit services)	94	87	94	87
<b>Operating lease rentals</b>				
Land and buildings	44	151	44	151
Plant and machinery	43	126	43	126
<b>(Profit) on disposal of fixed assets</b>				
Land and buildings	(1,106)	(1,499)	(1,106)	(1,499)
Plant and machinery	-	(33)	-	(33)

## 7. Employee Information

	2022 Number	2021 Number
Raising funds	3	3
Social Enterprises	24	30
Housing	16	15
Care and transition	104	97
Information, advice and guidance	32	30
Employment and skills	31	19
Management and support staff	32	29
	<b>242</b>	<b>223</b>
Average number of employees expressed as full-time equivalents:	188	176

Staff costs for these employees were:

	Note	Group and Company 2022 £'000	2021 £'000
Wages and salaries		5,252	4,686
Social security costs		392	375
Other pension costs	24	167	151
		<b>5,811</b>	<b>5,212</b>



## 8. Directors' remuneration

Under the Accounting Requirements for Registered Social Landlords General Determination 2019, the Trustees, Chief Executive and senior executives are to be treated as 'directors' for the purpose of this note.

The Trustees received no remuneration during the year ended 31 March 2022 (2021: £nil).

Total remuneration payable to the other directors (including senior executives) who are deemed to be key management personnel, was as follows:

	Group and Company	
	2022	2021
	£'000	£'000
Salary and benefits in kind	398	443
Pension contributions paid (defined contribution pension scheme)	22	22
	<b>420</b>	<b>465</b>

The numbers of employees whose emoluments exceeded £60,000 were:

	Group and Company	
£'000	2022 Number	2021 Number
60 – 70	3	3
70 - 80	-	1
80 - 90	-	1
90 - 100	1	-
100-110	-	1

The remuneration (excluding pension contributions), payable to the highest paid director, who was the Chief Executive, totalled £94,725 in the year ended 2022 (2021: £96,425).

The Chief Executive is a member of the defined contribution pension scheme and receives no enhanced membership benefits. The employer contribution to the scheme in on their behalf was £5,786 (2021: £5,786).

### Group and Company

Total expenses reimbursed to the directors not chargeable to United Kingdom income tax during the year was £597 (2021: £301).

## 9. Income Tax Expenses

Enham Trust is a registered charity and as such is potentially exempt from taxation of its income and gains to the extent that they fall within the exemptions available to charities under the Taxes Act and are applied to its charitable objectives.

The charities within the Group are exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

## 10. Tangible Fixed Assets

	Group and Company					
	Freehold housing properties	Freehold care homes	Assets under construction	Other freehold properties	Plant, equipment and motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>						
At 1 April 2021	9,674	4,363	2,947	3,959	2,850	23,793
Additions	188	31	1,063	30	71	1,383
Transfers	640	-	(915)	275	-	-
Disposals	(127)	-	-	-	(33)	(160)
<b>At 31 March 2022</b>	<b>10,375</b>	<b>4,394</b>	<b>3,095</b>	<b>4,264</b>	<b>2,888</b>	<b>25,016</b>
<b>Accumulated Depreciation</b>						
At 1 April 2021	4,631	1,983	2,771	1,637	2,339	13,361
Charge for the year	221	94	-	117	95	527
Disposals	(81)	-	-	-	(17)	(98)
<b>At 31 March 2022</b>	<b>4,771</b>	<b>2,077</b>	<b>2,771</b>	<b>1,754</b>	<b>2,417</b>	<b>13,790</b>
<b>Net Book Values</b>						
<b>At 31 March 2022</b>	<b>5,604</b>	<b>2,317</b>	<b>324</b>	<b>2,510</b>	<b>471</b>	<b>11,226</b>
At 31 March 2021	5,043	2,380	176	2,322	511	10,432

No assets are held under finance leases.

	Group and Company					
	Freehold housing properties	Freehold care homes	Assets under construction	Other freehold properties	Plant, equipment and motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>						
At 1 April 2020	9,768	4,363	2,803	4,204	4,287	25,425
Additions	31	-	144	-	40	215
Disposals	(125)	--	-	(245)	(1,477)	(1,847)
<b>At 31 March 2021</b>	<b>9,674</b>	<b>4,363</b>	<b>2,947</b>	<b>3,959</b>	<b>2,850</b>	<b>23,793</b>
<b>Accumulated Depreciation</b>						
At 1 April 2020	4,465	1,887	2,771	1,510	3,616	14,249
Charge for the year	256	96	-	127	124	603
Disposals	(90)	-	-	-	(1,359)	(1,449)
Impairment	-	-	-	-	(42)	(42)
<b>At 31 March 2021</b>	<b>4,631</b>	<b>1,983</b>	<b>2,771</b>	<b>1,637</b>	<b>2,339</b>	<b>13,361</b>
<b>Net Book Values</b>						
<b>At 31 March 2021</b>	<b>5,043</b>	<b>2,380</b>	<b>176</b>	<b>2,322</b>	<b>511</b>	<b>10,432</b>
At 31 March 2020	5,303	2,476	32	2,694	671	11,176

Assets held under finance leases and capitalised in motor vehicles have a cost of £nil (2020: £68k); accumulated depreciation of £nil (2020: £65k) and a net book value of £nil (2020: £3k).

## 11. Investments

### Analysis by category of holding

		Group 2022	Group 2021	Company 2022	Company 2021
	Note	£'000	£'000	£'000	£'000
Unlisted shares		4	4	3	3
Investment property		370	370	370	370
		<b>374</b>	<b>374</b>	<b>373</b>	<b>373</b>
Investment in Associate Company	22	4	4	-	-
		<b>378</b>	<b>378</b>	<b>373</b>	<b>373</b>
Shareholdings in subsidiary undertakings		-	-	2	2

### Analysis of the movement in investments in the year:

	Group		2022 Total
	Unlisted shares	Investment property	
	£'000	£'000	£'000
Market value at 1 April 2021	8	370	378
<b>Market value at 31 March 2022</b>	<b>8</b>	<b>370</b>	<b>378</b>

	Group		2021 Total
	Unlisted shares	Investment property	
	£'000	£'000	£'000
Market value at 1 April 2020	9	370	379
Investment in Associate Company	(1)	-	(1)
<b>Market value at 31 March 2021</b>	<b>8</b>	<b>370</b>	<b>378</b>

	Company		
	Unlisted shares	Investment property	2022 Total
	£'000	£'000	£'000
Market value at 1 April 2021	3	370	373
<b>Market value at 31 March 2022</b>	<b>3</b>	<b>370</b>	<b>373</b>

	Company		
	Unlisted shares	Investment property	2021 Total
	£'000	£'000	£'000
Market value at 1 April 2020	3	370	373
<b>Market value at 31 March 2021</b>	<b>3</b>	<b>370</b>	<b>373</b>

## 12. Stocks

	Group and Company	
	2022 £'000	2021 £'000
Horticultural stock	51	51
Consumable stock	31	46
	<b>82</b>	<b>97</b>

There are no significant differences between the replacement costs and the values of the stock shown.

### 13. Debtors due within the year

	Group 2022	Group 2021	Company 2022	Company 2021
	£'000	£'000	£'000	£'000
Trade debtors	529	414	529	414
Amounts owed by group undertakings	-	-	5	9
Other debtors	10	40	10	37
Prepayments and accrued income	661	357	552	216
	<b>1,200</b>	<b>811</b>	<b>1,096</b>	<b>676</b>

Trade debtors includes Social Housing rent arrears of £42k (2021: £69k) net of a provision for bad and doubtful rent debtors of £22k (2021: £15k).

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

### 14. Creditors: Amounts falling due within one year

		Group and Company	
	Note	2022 £'000	2021 £'000
Trade creditors		877	320
Taxation and social security		137	149
Other creditors		98	284
Accruals		244	198
Deferred income	16	411	334
Unamortised social housing grants	16	58	58
Recycled capital grant fund	17	62	62
		<b>1,887</b>	<b>1,405</b>
Bank loans		2,815	2,919
Concessionary loans		-	500
		<b>2,815</b>	<b>3,419</b>
<b>Total creditors falling due within one year</b>		<b>4,702</b>	<b>4,824</b>

During 2021/2022, Enham Trust had two bank loans, secured by fixed charges on several the group's properties. During 2021/2022, a new facility was agreed with its main lender, CAF Bank, which has revised covenants and enabled the other loan to be redeemed. As 31 March 2022, Enham Trust was in breach of the covenants on the CAF Bank loans, which would entitle the Bank to call for early repayment of their loans and accordingly, the loans are shown as current liabilities. Following the merger with Aster Group, Aster Group has provided funding to Enham Trust to settle the CAF Bank loans.

In 2011 the charity received a £500,000 loan provided by Coopers Livery Housing Fund Limited. The concessionary loan, which was secured by a charge against a freehold housing property was repaid in full in accordance with the loan agreement in April 2021.

Other creditors are unsecured.

## 15. Creditors: Amounts falling due after more than one year

Group and Company			
	Note	2022 £'000	2021 £'000
Concessionary loans		375	375
Unamortised social housing grants	16	888	939
Pension – growth plan	24.2	5	19
Other creditors		-	7
Recycled capital grant fund	17	120	66
		<b>1,388</b>	<b>1,406</b>
<b>Concessionary Loans</b>			
Due after more than 5 years		375	375
		<b>375</b>	<b>375</b>
<b>Unamortised Social Housing Grants</b>			
Due in 1-2 years		55	58
Due in 2 – 5 years		161	170
After more than 5 years		672	711
		<b>888</b>	<b>939</b>

The concessionary loan is an interest free advance from the Employment Service towards the cost of approved capital expenditure in connection with supported employment. Provided the conditions upon which the advances were made continue to be observed they have no fixed time of repayment.

All creditors falling due after more than one year are unsecured.

## 16. Deferred income

Group and Company					
		Unamortised social housing grant	Other deferred income	2022 Total	2021 Total
	Note	£'000	£'000	£'000	£'000
Balance brought forward at 1 April 2021		997	334	1,331	1,374
Amount released to income		(57)	(1,714)	(1,771)	(1,110)
Recycled on disposal of fixed asset		(21)	-	(21)	(26)
Amount deferred in the year		27	1,791	1,818	1,093
<b>Balance carried forward at 31 March 2022</b>		<b>946</b>	<b>411</b>	<b>1,357</b>	<b>1,331</b>
Shown as:					
Creditors due within one year	14	58	411	469	392
Creditors due after one year	15	888	-	888	939
		<b>946</b>	<b>411</b>	<b>1,357</b>	<b>1,331</b>

Group and Company				
	Unamortised social housing grant	Other deferred income	2021 Total	2020 Total
Note	£'000	£'000	£'000	£'000
Balance brought forward at 1 April 2020	1,081	293	<b>1,374</b>	1,402
Amount released to income	(58)	(1,052)	<b>(1,110)</b>	(977)
Recycled on disposal of fixed asset	(26)	-	<b>(26)</b>	-
Amount deferred in the year	-	1,093	<b>1,093</b>	949
<b>Balance carried forward at 31 March 2021</b>	<b>997</b>	<b>334</b>	<b>1,331</b>	<b>1,374</b>
Shown as:				
Creditors due within one year	<b>14</b>	58	<b>392</b>	351
Creditors due after one year	<b>15</b>	939	<b>939</b>	1,023
		<b>997</b>	<b>1,331</b>	<b>1,374</b>

## 17. Recycled Capital Grant Fund

Group and Company			
		2022	2021
	Note	£'000	£'000
Balance brought forward at 1 April 2021		128	63
Grant recycled		54	65
<b>Balance carried forward at 31 March 2022</b>		<b>182</b>	<b>128</b>
Shown as:			
Creditors due within one year	14	62	62
Creditors due after one year	15	120	66
		<b>182</b>	<b>128</b>

Grant recycled in the year relates to properties sold within the year. To the extent that the grant was not amortised at the date of sale it was transferred from deferred income (note 16). Grant amortised in prior years was adjusted from the Statement of Comprehensive Income.



## 18. Financial Instruments

Financial assets	Group	
	2022 £'000	2021 £'000
<b>Financial assets measured at fair value through profit or loss</b>		
Unlisted shares	4	4
	<b>4</b>	<b>4</b>
<b>Financial assets measured at amortised cost</b>		
Trade debtors	529	414
Other debtors	10	40
Accrued income	522	247
Cash at bank and in hand	1,252	2,302
	<b>2,313</b>	<b>3,003</b>
<b>Total</b>	<b>2,317</b>	<b>3,007</b>
<b>Financial liabilities measured at amortised cost</b>		
Trade creditors	877	320
Other creditors	98	291
Bank loans	2,815	2,919
Concessionary loans	375	875
Accruals	244	198
<b>Total</b>	<b>4,409</b>	<b>4,603</b>

Financial assets	Company	
	2022 £'000	2021 £'000
<b>Financial assets measured at fair value through profit or loss</b>		
Unlisted shares	3	3
	<b>3</b>	<b>3</b>
<b>Financial assets measured at amortised cost</b>		
Trade debtors	529	414
Amounts owed by group undertakings	5	9
Other debtors	10	37
Accrued income	413	106
Cash at bank and in hand	1,241	2,292
	<b>2,198</b>	<b>2,858</b>
<b>Total</b>	<b>2,201</b>	<b>2,861</b>
<b>Financial liabilities measured at amortised cost</b>		
Trade creditors	877	320
Other creditors	98	291
Bank loans	2,815	2,919
Concessionary loans	375	875
Accruals	244	198
<b>Total</b>	<b>4,409</b>	<b>4,603</b>

## 19. Restricted Reserves (Group and Company)

	1 April 2021 £'000	Fundraising £'000	Expenditure £'000	Transfers £'000	31 March 2022 £'000
Choices	1	-	(1)	-	-
Care services	12	-	-	-	12
Training Kitchen	12	-	-	-	12
Other	24	28	(27)	-	25
<b>Total</b>	<b>49</b>	<b>28</b>	<b>(28)</b>	<b>-</b>	<b>49</b>

	1 April 2020	Fundraising	Expenditure	Transfers	31 March 2021
	£'000	£'000	£'000	£'000	£'000
Sports Hall	-	66	-	(66)	-
Choices	10	3	-	(12)	1
Care services	11	2	(1)	-	12
Training Kitchen	11	1	-	-	12
Health and Wellbeing	1	28	-	(29)	-
Other	23	2	(1)	-	24
<b>Total</b>	<b>56</b>	<b>102</b>	<b>(2)</b>	<b>(107)</b>	<b>49</b>

## 20. Financial Commitments

There is a capital commitment of £30k (2021: £14k) at the year-end for which no provision has been made in the financial statements. This is to complete various capital building works.

The Group had the following future minimum lease payments under non-cancellable operating leases for each of the following years:

	Group and Company			
	Land and buildings		Other	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Payments due				
Not later than one year	27	15	18	38
Later than one year and not later than five years	56	44	12	30
Later than five years	-	27	-	-
<b>Total</b>	<b>83</b>	<b>86</b>	<b>30</b>	<b>68</b>

## 21. Analysis of total funds

	Group					
	2022			2021		
	Unrestricted funds	Restricted Funds	Total	Unrestricted funds	Restricted Funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Types of assets / (liabilities)</b>						
Tangible fixed assets	11,226	-	<b>11,226</b>	10,432	-	10,432
Investments	378	-	<b>378</b>	378	-	378
Net current (liabilities) / assets	(2,217)	49	<b>(2,168)</b>	(1,663)	49	(1,614)
Creditors falling due after more than one year	(1,388)	-	<b>(1,388)</b>	(1,406)	-	(1,406)
Pension Provision	(1,692)	-	<b>(1,692)</b>	(2,069)	-	(2,069)
Provision	(310)	-	<b>(310)</b>	(335)	-	(335)
	<b>5,997</b>	<b>49</b>	<b>6,046</b>	<b>5,337</b>	<b>49</b>	<b>5,386</b>

	Company					
	2022			2021		
	Unrestricted funds	Restricted Funds	Total	Unrestricted funds	Restricted Funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Types of assets / (liabilities)</b>						
Tangible fixed assets	11,226	-	<b>11,226</b>	10,432	-	10,432
Investments	373	-	<b>373</b>	373	-	373
Net current (liabilities) / assets	(2,332)	49	<b>(2,283)</b>	(1,808)	49	(1,759)
Creditors falling due after more than one year	(1,388)	-	<b>(1,388)</b>	(1,406)	-	(1,406)
Pension Provision	(1,692)	-	<b>(1,692)</b>	(2,069)	-	(2,069)
Provision	(310)	-	<b>(310)</b>	(335)	-	(335)
	<b>5,877</b>	<b>49</b>	<b>5,926</b>	<b>5,187</b>	<b>49</b>	<b>5,236</b>

## 22. Associate Company

Enham Trust acquired 33.3% of the share capital of Steps to Employment Limited, in July 2015. It has been treated as an associated company in the consolidated financial statements. It has been recognised in the consolidated financial statements using the equity method.

Subsequent to the year-end, Steps to Employment Limited was dissolved on 22 October 2022.

	Group 2022 £'s	Group 2021 £'s	Company 2022 £'s	Company 2021 £'s
Shareholdings in associate undertaking	2	2	2	2

	Notes	Group 2022 £'000	Group 2021 £'000
Total value brought forward at 01 April 2021		4	5
33.3% of surplus / (deficit) for the year		-	(1)
Total value carried forward at 31 March 2022	11	4	4

## 23. Analysis of changes in net debt

	At 1 April 2021 £'000	Cash flows £'000	Group Other non-cash changes £'000	At 31 March 2022 £'000
<b>Cash and cash equivalents</b>				
Cash	2,302	(1,050)	-	1,252
<b>Borrowings</b>				
Debt due within one year	(3,419)	604	-	(2,815)
Debt due after one year	(375)	-	-	(375)
	<b>(3,794)</b>	<b>604</b>	<b>-</b>	<b>(3,190)</b>
	<b>(1,492)</b>	<b>(446)</b>	<b>-</b>	<b>(1,938)</b>

	Company			
	At 1 April 2021	Cash flows	Other non-cash changes	At 31 March 2022
	£'000	£'000	£'000	£'000
<b>Cash and cash equivalents</b>				
Cash	2,292	(1,051)	-	1,241
<b>Borrowings</b>				
Debt due within one year	(3,419)	604	-	(2,815)
Debt due after one year	(375)	-	-	(375)
	<b>(3,794)</b>	<b>604</b>	<b>-</b>	<b>(3,190)</b>
	<b>(1,502)</b>	<b>(447)</b>	<b>-</b>	<b>(1,949)</b>

	Group			
	At 1 April 2020	Cash flows	Other non-cash changes	At 31 March 2021
	£'000	£'000	£'000	£'000
<b>Cash and cash equivalents</b>				
Cash	813	(1,489)	-	2,302
<b>Borrowings</b>				
Debt due within one year	(3,538)	119	-	(3,419)
Debt due after one year	(375)	-	-	(375)
	<b>(3,913)</b>	<b>119</b>	<b>-</b>	<b>(3,794)</b>
	<b>(3,100)</b>	<b>1,608</b>	<b>-</b>	<b>(1,492)</b>

	Company			
	At 1 April 2020	Cash flows	Other non-cash changes	At 31 March 2021
	£'000	£'000	£'000	£'000
<b>Cash and cash equivalents</b>				
Cash	803	1,489	-	2,292
<b>Borrowings</b>				
Debt due within one year	(3,538)	119	-	(3,419)
Debt due after one year	(375)	-	-	(375)
	<b>(3,913)</b>	<b>119</b>	<b>-</b>	<b>(3,794)</b>
	<b>(3,110)</b>	<b>1,608</b>	<b>-</b>	<b>(1,502)</b>

## 24. Pension commitments

The group participates in defined contribution Pension schemes. The group also has liabilities in respect of defined benefit schemes, which are closed to accrual and in respect of which contributions are made in line with approved recovery plans. The assets of all defined contribution and defined benefit schemes are held separately from those of the company in independently administered funds.

Pension contributions payable for the year, including payments under agreed recovery plans were:

	Notes	Group and Company	
		2022	2021
		£'000	£'000
Defined contribution scheme	7	167	151
Defined benefit scheme	24.1	378	372
Defined benefit scheme – growth plan	24.2	21	4
		<b>566</b>	<b>527</b>

Pension contributions outstanding at the year-end amounted to £60,731 (2021: £64,770) and are included in accruals.

### Defined Benefit Scheme - Group and Company

#### 24.1 Social Housing Pension Scheme

Enham Trust participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK. Whilst Enham Trust still participates in the scheme it has been closed to future accrual since September 2010.

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

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

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

We have been notified by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee has been advised to seek clarification from the Court on these items. This process is ongoing and the matter is unlikely to be resolved before the end of 2024 at the earliest. It is recognised that this could potentially impact the value of Scheme liabilities, but until Court directions are received, it is not possible to calculate the impact of this issue, particularly on an individual employer basis, with any accuracy at this time. No adjustment has been made in these financial statements in respect of this potential issue.

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**for the year ended 31 March 2022**

	<b>Group and Company</b>	
	<b>31 March</b>	<b>31 March</b>
	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Fair value of plan assets	10,571	10,707
Present value of defined benefit obligation	12,263	12,776
Deficit in plan	<b>(1,692)</b>	<b>(2,069)</b>
	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Defined benefit obligation at 1 April</b>	12,776	11,092
Expenses	18	18
Interest expense	267	260
Actuarial losses / (gains) due to scheme experience	94	(300)
Actuarial (gains) / losses due to changes in demographic assumptions	280	53
Actuarial (gains) / losses due to changes in financial assumptions	(777)	2,164
Benefits paid and expenses	(395)	(511)
<b>Defined benefit obligation at 31 March</b>	<b>12,263</b>	<b>12,776</b>



Reconciliation of opening and closing balances of the fair value of plan assets	2022	2021
	£'000	£'000
<b>Fair value of plan assets at 01 April</b>	10,707	9,939
Interest income	227	238
Experience on plan assets (excluding amounts included in interest income) – (loss) / gain	(346)	670
Contributions by the employer	378	372
Benefits paid and expenses	(395)	(512)
<b>Fair value of plan assets at 31 March</b>	<b>10,571</b>	<b>10,707</b>

The actual return on the plan assets (including any changes in share of assets) over the year from 1 April 2021 to 31 March 2022 was £119k (2021: £908K).

Defined benefit costs recognised in Statement of Comprehensive Income (SOCl)	2022	2021
	£'000	£'000
Expenses	18	18
Net interest expense (note 5)	40	23
<b>Defined benefit costs recognised in Statement of Comprehensive Income (SOCl)</b>	<b>58</b>	<b>41</b>

Defined benefit gains/(losses) recognised in Other Comprehensive Income/(Expense)	2022	2021
	£'000	£'000
Experience on plan assets (excluding amounts included in net interest cost) - (loss) / gain	(346)	670
Experience gains and losses arising on the plan liabilities – (loss) / gain	(94)	300
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – gain / (loss)	(280)	(53)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain / (loss)	777	(2,164)
<b>Total amount recognised gains / (losses) in Other Comprehensive Income / (Expense)</b>	<b>57</b>	<b>(1,247)</b>

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

ASSETS	31 March	31 March
	2022	2021
	£'000	£'000
Absolute Return	424	591
Alternative Risk Premia	349	403
Cash	36	-
Corporate Bond Fund	705	633
Credit Relative Value	351	337
Currency Hedging	(41)	-
Distressed Opportunities	378	309
Emerging Markets Debt	308	432
Fund of Hedge Funds	-	1
Global Equity	2,029	1,707
High Yield	91	321
Infrastructure	753	714
Insurance-Linked Securities	246	257
Liability Driven Investment	2,950	2,721
Liquid Credit	-	128
Long Lease Property	272	210
Net Current Assets	29	65
Opportunistic Credit	38	294
Opportunistic Liquid Credit	355	272
Private Debt	271	255
Property	285	222
Risk Sharing	348	390
Secured Income	394	445
<b>Total assets</b>	<b>10,571</b>	<b>10,707</b>

KEY ASSUMPTIONS	31 March	31 March
	2022	2021
	Per annum	Per annum
Discount Rate	2.79%	2.12%
Inflation (RPI)	3.66%	3.31%
Inflation (CPI)	3.23%	2.84%
Salary Growth	4.23%	3.84%
Allowance for commutation of pension for cash at retirement	75% of the maximum allowance	75% of the maximum allowance

The mortality assumptions adopted at 31 March 2022 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2022	21.1
Female retiring in 2022	23.7
Male retiring in 2042	22.4
Female retiring in 2042	25.2

## 24.2 Growth Plan

Enham Trust participates in the Growth Plan (the Plan), a multi-employer scheme which provides benefits to some 950 non-associated employers. The Plan is a defined benefit scheme in the UK. Whilst Enham Trust still participates in the scheme it has been closed to future accrual.

The Pensions Trust, who administer the Plan have advised Enham Trust that it would not be possible for sufficient information to be provided to Enham Trust to enable it to account for the Scheme as a defined benefit scheme. Therefore, Enham Trust has accounted for the Scheme as a defined contribution scheme.

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

The last triennial valuation of the Scheme for funding purposes was carried out as at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this shortfall, the Trustee has asked the participating employers to pay additional contributions to the Scheme.

As the Scheme is in deficit and Enham Trust has agreed to a deficit funding arrangement a liability is recognised for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using a discount rate of 2.35% (2021: 0.66%).

The liability as at 31 March 2022 is £4,850 (31 March 2021: £25,510).

## 25. Provisions

	Group and Company	
	2022	2021
	Total	Total
	£'000	£'000
Balance brought forward at 1 April	335	376
Amount provided for in year	-	25
Amount released in year	(25)	(66)
<b>Balance carried forward at 31 March</b>	<b>310</b>	<b>335</b>

## 26. Related Party Transactions

Enham Trust owns 33.3% of the share capital of Steps to Employment Limited. During the year ended 31 March 2022 the company invoiced Enham Trust for fees totalling £nil (2021: £nil). A balance of £600 (2021: £600) was owed to Enham Trust at the year end.

Enham Trust owns 52.5% of the Papworth and Enham Foundation. During the year, Enham Trust received a grant of £15,300 from the Foundation (2021: £nil). A balance of £1,320 was owed to Enham Trust at the year-end (2021: £1,320).

Enham Trust owns 100% of the share capital of Enham (Trading) Limited. There were no transactions with the company during the year (2021: £Nil). A balance of £3,392 was owed to Enham Trust at the year-end (2021: £3,392).

The MOVE Partnership is an independent company, but which is subject to common control in that Directors and staff of Enham are also Directors of The MOVE Partnership and staff engaged on The MOVE Partnership are employed by Enham Trust. During the year ended 31 March 2022, Enham Trust invoiced for costs totalling £113,500 (2021: 67,300). A balance of £78 was owed to Enham Trust at the year end (2021: £6,847).

## 27. Post Balance Sheet Events

Following the balance sheet date there have been various decisions taken by Enham Trust, these are detailed below:

### Enham Living Care Transition

Last year's report talked about the strategic aim to transition Enham's care homes to a new model of care and support, focused on promoting increased independence through a 'supported living' model.

The Transition project commenced in early April 2022, with Elizabeth House being the first of the care homes to undergo refurbishment work; residents and their families and friends were supported in moving to temporary accommodation on the Enham site whilst the works to separate Elizabeth House into 4 shared flats were completed; residents successfully moved back in at the end of July.

Early in 2022/23, the transition project in respect of the remainder of the care homes was paused due to increased financial risks and rising costs resulting from the war in Ukraine, Brexit and the impact of the cost-of-living crisis. The project from its commencement in 2019 to its pause following the completion of Elizabeth House was funded through operational cash and cash through the line of credit from Aster group.

Enham Trust is taking the opportunity to undertake a full review of its care offer for the future.

### Merger

The trustees of Enham Trust, following significant financial modelling and horizon scanning of upcoming required changes that will create financial challenges, decided that the best course of action was to find a suitable merger partner, a merger partner that would provide a safe haven taking Enham Trust as a subsidiary, allowing Enham Trust to access additional group resources and knowledge.

On 1 August 2022, it was announced that pending consultation with tenants and a due diligence process Enham Trust intended to merge with Aster Group; Aster Group being a R1/V1 large registered social housing provider with whom Enham Trust has partnered on a number of projects over previous years.

Following the consultation and a public meeting, along with the outcome of due diligence activities by both organisations the respective boards and the members of Enham Trust voted in favour of the merger. The merger became effective on 1 October 2022.

Aster Group extended a £2m line of credit to Enham Trust; this has, at the time of signing these financial statements, been fully utilised to ensure full commitment to the care improvement plan along with enabling Enham Trust to assist employees during the cost-of-living crisis in line with all of Aster Group. The line of credit was extended to a facility of £6m in November 2022; the extension was primarily to allow for the repayment of the two loans with CAF Bank; both facilities were repaid in full on 1<sup>st</sup> December, at a total amount of £2.8m; this extended Enham Trust's use of the Aster Group credit facility to £4.8m.

During the first 12 months following merger, both organisations will take the time to understand each other fully, to share knowledge and expertise, with Aster Group supporting Enham through its immediate care challenges along with creating new strategic plans for the future.

#### **Steps to Employment Limited**

Steps to Employment Limited was dissolved on 22 October 2022.