
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Look Ahead Care and Support Limited
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**A charitable housing association,
registered under the Co-operative and
Community Benefit Societies Act 2014: No.
21004R.**

**Registered with the Regulator for Social
Housing: No. LH0013.**

LOOK AHEAD CARE AND SUPPORT LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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Board of Management

**Baroness Mary Watkins of Tavistock
(Chair)**

Crossbench Peer, House of Lords

Board Member, NHS England

**Tom Dacey – (Chair – Blythson &
Kingswood Board)**

Chair – MP Living

Richard Jones CBE (Vice Chair)

Chair - Shared Lives Plus

Chair, Syncora Ltd (part of the Calico Group)

Director, Delphi Medical Consultants Ltd and
Delphi Medical Ltd

Director, Acorn Recovery Projects Ltd

Director, Safenet Domestic Abuse and Support
Services Ltd

Non-Executive Director, Fairoak Housing
Association

**Sharon Slotnick – (Chair of
Remuneration Committee)**

Sitting Magistrate (London – Adult, Family,
Crown Court Appeals)

Ellie Edwards-Scott

Director, The Advisory Collective

Trustee – Digilearning

**Kevin Gould - (Chair of Audit and Risk
Committee)**

Internal audit consultant,

European Bank of Reconstruction and
Development

Non-Executive Director, Queen Victoria Hospital
NHS Foundation Trust

Independent Governor, Staffordshire University

Non-Executive Director, Grand Union Housing
Group

Panel member, Judicial Appointments
Commission

Trustee, Centre for Alternative Technology

Non-Executive Director, Sharpthorne Services
Ltd

Board of Management (Continued)

Stephen Firn	Chief Executive Officer – Cygnet Health Limited
Kevin Obi	Chair – NIDSG Managing Director at Synergy Inc Ltd Board Adviser - Ecosync Ltd
Sarah Willows (Chair of Investment & Treasury Committee)	Director, Storegga Limited

Chief Executive and Senior Leadership Team

Chris Hampson Chief Executive Officer	Rosa Napolitano Executive Director of Business Development And Innovation
Guy Robinson Executive Director of Group Operations	Julie Blair Executive Director of Corporate Services
Nicole Njie Executive Director of Customer Experience and Quality Appointed: January 2023	Samantha Stewart Executive Director of Finance Resigned July 2023
	Harindra Punchihewa Chief Financial Officer Appointed September 2023

Solicitors

Devonshires

Salisbury House
London Wall
London
EC2M 5QY

External auditors

RSM UK Audit LLP

Ninth Floor, Landmark
St Peter's Square
1 Oxford Street
Manchester
M1 4PB

Internal auditors

Beever & Struthers

150 Minories
London
EC3N 1LS

Registered office

Kings Buildings
16 Smith Square
London
SW1P 3HQ

Bankers

Barclays Bank PLC

1 Churchill Place
London
E14 5HP

Registration details

Regulator of Social Housing
Registration Number: LH0013
Co-operative and Community Benefit
Societies Act Number: 21004R

Investment managers

Rothschild Wealth Management (UK) Limited

New Court
St Swithin's Lane
London
EC4N 8AL

LOOK AHEAD CARE AND SUPPORT LIMITED

REPORT OF THE BOARD OF MANAGEMENT

Look Ahead Care and Support Limited ('Look Ahead') is registered under the Co-operative and Community Benefit Societies Act and is a Registered Provider under the Housing and Regeneration Act 2008. Look Ahead Developments Limited, Larch Residential Services Limited, Blythson Limited and Kingswood Care Services Limited are wholly owned subsidiaries of Look Ahead Care and Support Limited ('the Association', together 'the Group'). Group Accounts have been prepared for the year ended 31 March 2023 under the requirements of the Co-operative and Community Benefit Societies Act (Group Accounts) regulations 1969.

Principal activities

Look Ahead is a specialist housing association providing supported housing and social care services to vulnerable people within the community. Our core purpose is to work in partnership with the NHS and local authorities to provide an integrated housing, support and care service across our four client groups: mental health, learning disabilities, young people and rough sleepers. All existing and new accommodation operated by Look Ahead is predominantly linked to a care or support package.

Our mission is "working with people to make choices, achieve goals and take control of their lives through high quality care, support and housing." In order to achieve this we need to maintain long term viability and financial strength. To deliver on this we have in recent years invested in property and two small, specialised support businesses.

Look Ahead has four specialisms: Homelessness, Mental Health, Learning Disabilities and Young People. We work with some of the most vulnerable people in society, where a Look Ahead service may be their last option. Due to the nature of local authority tendering we operate out of as many units owned by other landlords as we do our own which brings different challenges to those faced by general needs Housing Associations. Due to the nature of the support provided, the average length of stay is two years, creating higher void rates; we re-let over 40% of our stock each year.

We are proud to operate this niche model and support people with different vulnerabilities across London and the Southeast. We know that our services support some of the most hard to reach people in our society, giving them opportunities to achieve their goals that might not have been possible otherwise.

Look Ahead Developments Limited was incorporated in February 2008 and provides construction, design and build services to Look Ahead Care and Support. There is currently one active project at design phase in Caterham, Surrey.

Larch Residential Services Limited was incorporated in October 2018 and is a small provider of private residential lettings. It currently has 17 properties in its portfolio.

All the shares of Blythson Limited were acquired in October 2019. It is based in Kent and provides residential care and supported living services to 47 people with learning disabilities from 9 of its own properties and 6 owned by Look Ahead and also in customers' homes. It has four residential care services and a supported living service that

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are registered with the Care Quality Commission (CQC). The four properties are all rated as Good and the supported living service is rated as Outstanding by the CQC.

All the shares of Kingswood Care Services Limited were acquired in September 2020. It is based in Essex and provides residential care and supported living services to 27 people with learning disabilities from its own 5 properties. All of its services are registered with the Care Quality Commission (CQC). Four properties are rated as Good with one rated as Outstanding.

Group results for the year

The Board of Management present its report and Group financial statements for the year ended 31 March 2023. The results for the year show a year of challenge with an operating deficit of £1.6 million, compared with a 2022 surplus of £2.4 million. Operating deficit for the Association was £1.5 million compared with a surplus of £2.5 million in 2022. In the year gift aid donations amounting to £1.5 million were made to Look Ahead from the subsidiaries (2022: £1.5 million) which is included in turnover for the Association.

After an increase in the fair value of investment property and a decrease in the fair value of financial investments and actuarial losses in respect of the pension scheme, the total deficit for the Group was £4.8 million (2022: surplus of £8.0 million). The actuarial loss on the pension scheme decreased total comprehensive income by £1.9 million.

Review of the business

The Group turnover grew to £79.3 million from £77.6 million in the previous year. Group operating deficit of £1.6 million was £4.0 million less than the previous year's surplus of £2.4 million. The Group faced many challenges in 2022/23, with recruitment and retention of staff being the area that impacted financial performance the most. To continue to ensure services were appropriately staffed, it was necessary to use agency staff. As this is a more expensive method of providing staff it has had a significant impact on the year's results.

In the year we continued to invest in our property assets; we have spent £4.4 million on component replacement, major repairs and development of existing properties compared with £6.5 million in 2021/22. We also acquired a new property for £0.9 million that will be used for a learning disability service for Look Ahead. This produces negative EBITDA MRI of £2.9 million (2022: £1.9 million). We will not defer essential works, as this is not cost effective in the long run, nor is it best for our tenants. Look Ahead continues to be in a strong financial position with liquid assets and available credit facilities of £26 million to pursue its growth strategy as well as continue to invest in its assets.

We invested £0.6 million in software and IT equipment in 2022/23, moving over to Sharepoint. We also spent £0.9 million on customer furniture.

The Group has net current liabilities of £20.6 million (2022: £18.1 million) mainly due to the classification of the Rothschild loan of £17.3 million (2022 £11.2 million) as due within one

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year. The loan is secured against the investment portfolio which is included under Investments.

During 2022/23 Look Ahead retained its V1/G1 status, the highest rating awarded by the Regulator of Social Housing.

Group Growth Highlights

The Group turnover increased by £1.7 million from 2021/22 result. This increase in revenue has been driven by new contracts and higher negotiated rates for existing business. Blythson's turnover increased by £0.9 million largely as a result of the property acquired in 2022 being occupied for a full year.

In the year Look Ahead acquired a property in Kent in line with the Association's Asset Management Strategy. The approved business plan includes growth for Look Ahead, Blythson and Kingswood through property acquisition.

In the year 29% of our contract income came from spot contracts, meaning they are linked to an individual rather than provision for a number of beds. This generated 16% of the total contribution from support contracts. The business plan sees an increase in the number of spot contracts in Look Ahead over the next five years, reducing reliance on the turnover of block contracts awarded through competitive tender opportunities. All properties that have been acquired in the last two years will be used for spot contracts for people with learning disabilities.

The remainder of the commentary provides further detail on the results of the social housing, care and support activities of the Association only.

Commitment to improved outcomes and quality

Look Ahead supports customers from four different client groups with a wide range of support needs. Each customer has an individualised support plan designed to help customers achieve their goals and live more independently. The plans are based on the strengths and needs of each customer and are reviewed regularly to ensure that they are still meeting the customer's needs.

Look Ahead is committed to delivering high-quality services. To this end, we have developed our own Quality and Assurance system, which is based on the same standards as those used by the Care Quality Commission (CQC). Our system is regularly reviewed by external experts and by our own customers, to ensure that it is meeting their expectations.

In 2023, we fell short of our internal target of 85% of services meeting at least a 'Good' rating. Only 70% of services met this standard, but none were rated as Inadequate. This is the first time in 5 years that we have not met the target, and it is largely due to staffing vacancies in several sites. These vacancies have impacted the quality of service, resulting in a lower overall rating.

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The quality team will continue to run regular workshops for managers to help them understand what is expected in quality visits. These workshops will highlight good practice and provide guidance on key areas that often let services down. All services rated as Requires Improvement will be revisited within 6 months to assess their progress against their improvement plans and, where possible, improve their rating to Good.

We have 12 services registered with the CQC, and all of these are currently rated as Good or are awaiting their first inspection. The table below shows our performance against target for the key metrics that our Board has identified as the most important in determining how effective Look Ahead's services are.

Effectiveness – quality of services delivered to our customers	Target	2019	2020	2021	2022	2023
% Services rated as 'outstanding' or 'good' by our internal quality system	90%	85%	90%	91%	91%	70%
% Services rated as 'outstanding' or 'good' by CQC	100%	100%	100%	91%	100%	100%
No. of services rated "overall" as 'inadequate' by CQC	0	0	0	0	0	0

Over the past 12 months we have trained 33 Peer Support Volunteers (PSVs). PSVs are volunteers with lived experience, including current and former Look Ahead customers as well as referrals from external agencies. The programme develops skills and provides valuable experience of working in the sector, helping volunteers move on to paid employment. In the past 12 months, 9 peer support volunteers progressed into employment.

Investment in our people and property assets

Our reward strategy continues to include paying National Living Wage and London Living Wage which this year represented uplifts of over 8.1%, as well as formal staff recognition awards and initiatives. Staff turnover increased slightly but stabilised towards the end of the financial year. Voluntary staff turnover for the year was 31.6% (2021/22 30%). Retaining and developing valuable members of staff is crucial to our future success and for high quality service delivery and we have continued to invest in professional qualifications, staff awards and career development within the organisation.

We are committed to investing in our staff and we increased the availability of training in the year, especially by moving courses online. There were 430 training courses delivered (2022 392) during the year with the majority of these being delivered online but there was an increase in face to face learning where appropriate to do so.

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We continue to invest in our property assets, ensuring that we maximise financial return whilst fulfilling our social purpose. In the year we invested £4.3 million in our property assets for component replacement and major repairs and £0.9 million on furniture and white goods. In addition we acquired a property in Kent. The property will be converted into two flats, a self-contained 1-bed unit and a 3-room shared unit providing a learning disabilities support service. Buying property for use in providing services is in line with our business development strategy and demonstrative of our mission of helping people live more independently in their own homes.

Driving improved financial performance

A key corporate priority for Look Ahead is that we remain financially strong, enabling investment in our services, properties and people. The following table sets out key performance data for 2022/23:

Financial efficiency and economy:	Target 2022/23	2019	2020	2021	2022	2023
Void %	5.8%	5.3%	7.8%	6.0%	8.0%	7.9%
Net arrears of current tenants	6.5%	8.9%	8.4%	8.6%	8.5%	10.0%
Bad debt %	3.6%	3.3%	3.5%	2.1%	1.4%	3.0%
Agency staff as % of total staff spend	2.5%	3.2%	3.2%	1.9%	3.4%	20.6%
Voluntary staff turnover	25%	29%	28%	21.5%	30.7%	32.1%
% of reactive repairs completed within target times	90%	79%	83%	81%	89%	96%

Void performance in the year remained at the level seen in 2022. This was largely due to referral issues in 4 homeless hostels, 2 young people services and 1 Mental Health service. These 7 services account for 52% of the overall void loss. Of these 7 services 3 are in owned properties and 4 are managed.

In 2022/23 we re-let 919 units of the 2,210 supported housing units we manage. This is turnover of 42%, which is higher than last year when 38% of units were relet. In 2022/23, as in previous years, voids in our owned stock continued to be higher than in managed properties. The key driver was referral issues across all semi-independent living young people services and two large homeless hostels in Kensington and Chelsea and Westminster.

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	2022/23			2021/22		
	Owned	Managed	Total	Owned	Managed	Total
	£000s	£000s	£000s	£000s	£000s	£000s
Rent & Service Charge income	11,484	17,082	28,566	11,003	15,875	26,878
Voids	877	1,372	2,249	904	1,262	2,166
Voids %	7.6%	8.0%	7.9%	8.2%	7.9%	8.1%

Net arrears decreased during the year but the bad debt charge increased reflecting an increase in former tenant arrears which are fully provided for. A proportion of rent arrears is due to delays in processing of Housing Benefit claims and delays in the legal process when we have exhausted the arrears management policy and have to take action to evict the customer.

	2022/23			2021/22		
	Owned	Managed	Total	Owned	Managed	Total
	£000s	£000s	£000s	£000s	£000s	£000s
Rent & Service Charge income	11,484	17,082	28,566	11,003	15,875	26,878
Bad debts	156	703	859	124	251	375
Bad debts %	1.4%	4.1%	3.0%	1.1%	1.6%	1.4%

Agency staff expenditure as a percentage of all staff costs increased in year significantly above target. This reflects the increasing challenges during 2022/23 with the recruitment and retention of permanent and bank front line staff which has resulted in many services increasing their use of agency staff.

The percentage of reactive repairs completed within target times improved in 2022/23 from the previous year's performance and was better than target at 96%, reflecting a full year's performance with our new maintenance contracts.

Look Ahead's operating deficit was £1.5 million (negative 2.1% of turnover) for the year (2022: operating surplus was £2.5 million (3.5% of turnover)). This includes £1.5 million (2022: £1.5 million) of gift aid from the subsidiaries demonstrating the success of the acquisition strategy.

There was a notable deterioration in the financial performance of the support services, generating a deficit of £2.1 million or negative 5.2% of turnover compared with a surplus of £0.9 million (2.0% of turnover) in 2021/22 (see Note 5). This was due to a significant increase in expenditure of £3.3 million due in particular to agency staff costs.

After overhead apportionment the financial performance of our landlord business reduced year on year, creating a deficit of £1.8 million (2022: £0.7 million deficit) due to an increase in salary costs and a higher charge for bad debts.

The table below shows the social housing operating margin of our landlord business split between owned and managed properties. The performance of managed properties reduced with the loss generated in other Landlord's properties increasing to £4.1 million.

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The management agreements in place often have very tight financial targets around voids. As most of our homeless services provision is run from other landlord's property, a lack of referrals had a significant impact on the financial performance.

Social Housing Operating Margin						
	2022/23			2021/22		
	£000s	£000s	£000s	£000s	£000s	£000s
	Owned	Managed	Total	Owned	Managed	Total
Turnover	13,240	16,214	29,454	12,156	15,640	27,797
Surplus	2,356	(4,108)	(1,752)	2,382	(3,037)	(654)
Operating Surplus %	17.8%	(25.3%)	(5.9%)	19.6%	(19.4%)	(0%)

Delivering Value for Money

For Look Ahead value for money means delivering our strategic objectives in the most cost-efficient way. Delivery of care and support contracts represents 55% of our income. Due to the nature of the commissioning of contracts, our support services are regularly assessed as providing value for money in a highly competitive tender environment.

Look Ahead remains unique in that most of our stock is used for supported housing. Supported housing characteristically incurs more void units, requires greater expenditure on reactive and voids maintenance and suffers greater bad debts than a housing association that focuses on general needs housing. Operating margins in our specialist care and support sector sit well below those of general needs housing providers.

Value for Money KPIs

The table below shows the metrics that were introduced by the Regulator of Social Housing in April 2018. These metrics are used to assess the financial health of all organisations across the sector.

		Sector Median 2021/22	2022/23	2021/22	2020/21
1	Reinvestment	6.5%	4.0%	5.5%	4.2%
2	New Supply Delivered – social housing units	1.4%	0.3%	0.0%	0.0%
3	Gearing	44.1%	16.2%	14.5%	12.1%
4	Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %	146%	(223)%	(233)%	(61)%
5	Headline social housing cost per unit	£4,150	£27,945	£25,616	£25,957
6	Operating Margin – Social housing lettings only	23.3%	(5.9%)	(2.4%)	0.7%
7	Operating Margin – Overall	20.5%	(2.1%)	3.5%	3.0%
8	Return on capital employed (ROCE)	3.2%	(0.9%)	1.4%	1.1%

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Reinvestment

Look Ahead's capital expenditure includes redeveloping existing assets, component replacement and meeting our compliance requirements as well as acquiring properties on the open market. In 2022/23 we spent £4.4 million on compliance and component replacement compared with £6.5 million in 2021/22 (note 11a). In addition, we spent £0.9 million on acquiring a new property (£0.4 million in 2021/22).

Reinvestment in property assets was 2.5% less than the sector median for 2022 at 4.0%. This is a reduction on the previous year of 5.5%. Look Ahead is not a traditional developing housing association. Through the asset management strategy Look Ahead ensures that its properties are well maintained and compliant. The business plan includes the development of one owned site in Caterham, Surrey that Look Ahead has planning permission for. However, most of the increase in the property portfolio will be derived from the acquisition of residential properties.

Gearing

The level of gearing increased in 2022/23 to 16.2% from 14.5% in 2021/22. A facility was taken out with Rothschild in 2019, secured against our investment portfolio to fund 50% of the cost of acquiring Blythson; subsequent lending has taken place to part fund the acquisition of Kingswood Care Services Limited, several properties and major development on existing properties, the balance being met by the sale of investments. This is in line with Look Ahead's growth strategy to use the investment portfolio alongside debt facilities to improve financial performance. In 2022/23 we completed a new £8 million loan facility to partially refinance the Rothschild facility and fund our future growth ambitions. We expect to complete an additional £10 million facility in 2023/24 that will further paydown the short-term debt and facilitate further investment in growth capital.

Despite the increase in gearing in recent years, Look Ahead is still behind the sector median due to relatively little development in the past. Our current treasury strategy is to use the investment portfolio to fund growth with equal amounts of debt, and we will always retain £20 million in the portfolio.

EBITDA MRI – Interest cover

Financial performance for the year was an operating deficit of £1.5 million compared with a surplus of £2.4 million. This, combined with a lower level of investment in our properties and an increase in interest payable, has resulted in EBITDA MRI interest cover improving to (223%) from last year's (233%). The 30 year business plan sees the organisation move to a position where positive EBITDA MRI is sustained after year four of the plan.

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Social Housing costs per unit

Look Ahead's income is predominantly derived from care and support services. As a result 55% of our costs are directly related to support services provided by our front-line staff, which do not exist within general needs housing associations. There is no direct correlation between the number of units we manage and the number of customers that we support because we support some customers in their own homes. As a supported housing provider we also pay for services on behalf of our tenants and recoup this through services charges, unlike a general needs landlord.

We manage as many social housing units on behalf of other landlords as we own; these are subject to a management fee payable back to the landlord significantly impacting the average cost per unit. Typically, management fees are 75% of the total rent recoverable.

The cost per unit increased from £25,616 in 2021/22 to £27,915. The large increase is due to the much higher use of agency staff to ensure services are appropriately staffed, higher costs on security/concierge services plus the impact of high inflation on other costs such as utilities.

Social Housing cost per unit						
	2022/23 Owned	2022/23 Managed	2022/23 Total	2021/22 Owned	2021/22 Managed	2021/22 Total
Total units	1,195	1,195	2,390	1,204	1,294	2,498
Cost per unit	Owned	Managed	Average per unit	Owned	Managed	Average per unit
Service charges	3,672	7,081	5,377	3,218	6,498	4,917
Management	2,187	8,590	5,389	1,948	7,043	4,587
Routine maintenance	1,145	753	949	1,489	544	1,000
Major repairs	242	(14)	114	53	2	26
Capitalised major repairs	3,488	161	1,825	5,294	68	2,587
Total cost before support costs	10,675	16,571	13,653	12,002	14,155	13,117
Support & other costs			14,292			12,498
Total social housing cost including support per unit			27,945			25,616

Return on Capital Employed (ROCE)

ROCE decreased from 1.4% to a negative 0.9% in the year. Although Look Ahead has a large asset base, it has low operating margins due to the vast majority of the income coming from care and support. The decrease year on year is due to the operating deficit in 2022/23. We expect the ROCE to return to a positive figure and improve over the next five years in line with the business plan.

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When comparing the Value for Money results to the median performance of other social housing providers, Look Ahead presents as an outlier due its unique business model. Value for money for Look Ahead is not only demonstrating that our services are cost effective, but more broadly that our services save the public purse overall providing integrated services between health and housing.

We continue to work closely with other similar providers to develop additional metrics and a scorecard for supported housing providers that will bring more context and clarity to our stakeholders. For key housing indicators we are engaged with Housemark and Acuity, on our staffing KPIs we refer to peer group and sector specific data and finally for the quality of our services we have detailed inspections from the CQC.

Group surpluses and reserves

The Look Ahead Group's reserves as at 31 March 2023 are £88.6 million (2022: £93.4 million) of which £0.2 million are restricted reserves. Reserves are internally generated resources which are reinvested in our assets and support services. Our portfolio of housing stock requires regular investment; this year we invested £4.3 million in component replacement, in addition to acquiring 1 property at a cost of £0.9 million.

The latest valuation of the Social Housing Pension Scheme (SHPS) multi-employer Defined Benefit scheme deficit has increased Look Ahead's liability by £1.9 million, which has decreased reserves by the same amount (Note 17).

The investment portfolio reduced from £39.1 million in 2022 to £32.1 million, of which £5.8 million was due to withdrawals from the portfolio (Note 12a). The portfolio reduced in value in 2022/23 by £1.1 million due to the volatility in the financial markets. However, our investment timeframe is at least 5 years, and markets are expected to improve in this timeframe.

Group employees

At year end, the Group's total full and part-time staffing complement stood at 1,307 (2022: 1,206) Full Time Equivalent posts.

Look Ahead continues to work on our Inclusion Agenda and has made progress with reducing our Gender Pay Gap. We have signed up to the Inclusive Employers standards to help form our future focus. We continue to have positive relationships with UNISON and work with staff on our culture and engagement around the organisation.

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Governance

The Look Ahead Group has adopted and fully complies with, the principles set out in the National Housing Federation's Code of Governance (2020). The Board of Management is made up of nine Non-Executive Members and the Chief Executive Officer and is responsible Group's overall direction and strategy. The members of the Board of Management are listed on page 3. Each of the Non-Executive Members is allocated one share for voting purposes but this does not entitle the member to a beneficial interest in Look Ahead.

Operational responsibility is delegated to the Chief Executive Officer and Senior Leadership Team. The Chief Executive Officer advises the Board on strategic issues. The Chief Executive Officer and Senior Leadership Team are listed on page 4. They have no beneficial interest in Look Ahead's share capital.

Board members are elected for a three-year term at the Annual General Meeting, one third retiring by rotation each year. The Board reviews its operation and performance annually. It identifies the skills it requires in order to fulfil its function and recruits new members as required. This year we have continued the process of Board renewal as required by best governance practice. The Board members usually serve a six year term in office but this may be extended in certain circumstances in line with the NHF Code of Governance.

The Board of Management is currently supported by:

- Audit and Risk Committee
- Investment and Treasury Committee
- Urgency Committee
- Remuneration Committee
- Nomination Committee
- Tenant and Landlord Panel
- Customer Care and Support Forum
- Subsidiary Boards

Members of these Committees are selected from the Boards of Management, with the exception of the Subsidiary Boards that recruits two independent members and also includes Executive officers.

The **Audit and Risk Committee** is responsible for internal and external audit issues, risk management, setting and reviewing key performance indicators, and monitoring Look Ahead's operational and financial performance.

The **Investment and Treasury Committee** is responsible for reviewing all aspects of Look Ahead's Treasury Management activities including investment, reserves and cash management, debt and property development. The committee makes recommendations to the Board of Management.

The **Urgency Committee** has full delegated authority to act on behalf of the Board for all urgent issues.

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The **Remuneration Committee** establishes and reviews the organisation's Remuneration Policy and reviews the Chief Executive Officer's and Senior Leadership Team remuneration annually. In carrying out this responsibility the committee aims to ensure that Look Ahead's reward strategy is competitively positioned in the market to enable it to attract, recruit and retain the talent it needs at all levels in the business.

Details of the Chief Executive Officer's remuneration and the total emoluments paid to the Executive Directors and Directors are shown in note 6 to the financial statements.

The **Nomination Committee** is responsible for reviewing the size and composition of the Board, giving consideration to succession planning and nominating, for approval, the candidates to fill Board vacancies as they arise.

The **Tenant and Landlord Panel** was set up in 2019/20 and comprises customers and Board members and is attended by Senior Executives. The panel met three times in the year addressing topics such as service charges, compliance and maintenance and complaints.

The **Customer Care and Support Committee** was set up in 2022 and it is a key governance vehicle for our customers to scrutinise, influence and shape our care, support, quality and people offer.

The **Subsidiaries' Boards** are drawn from Group Board Members, the Chief Executive Officer and Members of the Senior Leadership Team. Two members are also independent of the Group.

Merger code

In March 2016 the Board agreed to adopt the NHF's voluntary code for mergers, group structures and partnerships (the Code). In adopting the Code we can demonstrate how we have acted to meet a number of good governance requirements, such as:

1. Considering how we are placed to meet long-term objectives
2. How we conduct our decision-making processes around potential partnership, group structure and relationships
3. Demonstrating compliance with the regulatory standards and value for money
4. Demonstrating transparency and accountability for our beneficiaries around informed decision making on the delivery of our purpose.

The Board has also agreed an Acquisitions Strategy which is supported by the Code. The overall aim of this strategy is to deliver growth in Look Ahead's social care business and to achieve added value either through financial synergies and/or the addition of strategic assets such as property, talent, expertise, technology, intellectual property and new innovative social care service models. This strategy, therefore, supports Look Ahead's overall corporate and financial objectives.

LOOK AHEAD CARE AND SUPPORT LIMITED

REPORT OF THE BOARD OF MANAGEMENT

Internal controls assurance

The Board has overall responsibility for establishing and maintaining a system of internal control and for reviewing its effectiveness across the Group. The Board recognises that no system of internal control can provide absolute assurance of elimination of risk. The system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives and expected outcomes will be achieved and that the Association complies with applicable laws and regulations and with regulatory standards and internal policies with respect to the conduct of the business. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Association's assets and interests.

In meeting its responsibilities, the Board has adopted a risk-based approach to internal controls which is embedded across all of the Look Ahead Group's activities. This approach includes the regular evaluation of the nature and extent of risks to which the Association is exposed and is consistent with the principles of good governance outlined in the NHF's Code of Governance (2020).

The Board delegates the monitoring of risk management and internal control to the Audit and Risk Committee (ARC). The terms of reference and standing orders for the ARC and the delegated authorities contain the following elements:

◆ **Identification and evaluation of key risks**

ARC considers and recommends the Group's Corporate Risk Register and controls to the Board, and considers the annual review of key risks and the methods to be used for managing them. The Chief Executive Officer implements the risk management decisions of the Board, including the allocation of responsibility for risks to individual members of staff and the maintenance of an effective system of internal control. As part of overall risk management the ARC oversees Look Ahead's plans for continuity of service in the event of a major emergency.

◆ **Managing the risk of fraud**

The Board has a strategy and a policy on reporting loss, theft and fraud covering the prevention, detection and reporting of fraud and the recovery of assets. A register of all incidents of fraud and attempted fraud detected is maintained and appropriate follow up action is taken to strengthen internal controls.

◆ **Monitoring and corrective action**

ARC meets at least four times a year and has responsibility for monitoring the Group's effectiveness of the system of internal controls on an ongoing basis. It receives reports and, where appropriate, makes recommendations to the Board, on internal controls,

LOOK AHEAD CARE AND SUPPORT LIMITED

REPORT OF THE BOARD OF MANAGEMENT

internal and external audit, accounts and financial compliance, performance and quality, probity, continuous improvement and regulatory compliance. This includes a rigorous procedure for ensuring that corrective action is taken in relation to significant control issues, particularly those with a material impact on the financial statements.

◆ **Information and financial reporting systems**

The Board approves the annual budget and any subsequent re-forecasts to that budget each year. It also reviews and approves the long term financial forecasts contained in the business plan. ARC receives quarterly reports on progress against budget as well as 12 month cash flow forecasts. It uses these reports to monitor financial performance during the year. ARC and the Board also regularly review key operational performance indicators to assess progress towards the achievement of key business objectives, targets and outcomes.

◆ **Control environment and control procedures**

The Board retains responsibility for a defined range of issues covering strategic, operational, and financial and compliance issues including treasury strategy and new investment projects. The Board has adopted the National Housing Federation's Code of Governance 2020. This sets out the Association's policies with regard to quality, integrity and ethics of its employees. It is supported by a framework of policies and procedures with which employees must comply. These cover issues such as delegated authority, segregation of duties, accounting, treasury management, health and safety, data and asset protection and fraud prevention and detection. All employees and Board members also make an annual declaration of interests.

The Board has received the Chief Executive Officer's annual report, has conducted its review of the effectiveness of the system of internal control and has noted any changes needed to maintain the effectiveness of the risk management and control process.

The Board confirms that the Group meets the requirements and expected standards of the governance and financial viability standard and takes all reasonable steps to ensure it is compliant with the law.

The Board confirms that it has carried out a review of its compliance with the NHF Code of Governance (2020) and it is fully compliant with the Code. The subsidiary companies have also adopted the NHF Code of Governance (2020) and explanations are provided where there is non-compliance.

The Board confirms that there is an ongoing process for identifying, evaluating and managing significant risks faced by the Group. This process has been in place throughout the year under review, up to the date of the annual report, and is regularly reviewed by the Board.

LOOK AHEAD CARE AND SUPPORT LIMITED

REPORT OF THE BOARD OF MANAGEMENT

Appointment of auditors

A resolution to reappoint the external auditors will be proposed at the next Annual General Meeting.

Statement of Board of Management's responsibilities

The Board of Management are responsible for preparing the Board of Management's report and the financial statements in accordance with applicable law and regulations.

Law applicable to Registered Societies under the Co-operative and Community Benefit Societies Act 2014 and registered social housing providers in England require the Board of Management to prepare financial statements for each financial year. Under that law, the Board of Management have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

In preparing these financial statements the Board is required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in these statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association and Group will continue in business.

The Board of Management are responsible for keeping adequate accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the Association and the Group and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the Association and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board members who held office at the date of the approval of the Report of the Board of Management confirm that, so far as they are each aware, there is no relevant audit information of which the Group's auditors are not aware; and that each Board member has taken all steps that he or she ought to have taken as a Board member to make himself or herself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

LOOK AHEAD CARE AND SUPPORT LIMITED

REPORT OF THE BOARD OF MANAGEMENT

The Association is responsible for the maintenance and integrity of the corporate and financial information included on the Association's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

By order of the Board of Management.



Claire Luxton
Company Secretary

LOOK AHEAD CARE AND SUPPORT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOOK AHEAD CARE AND SUPPORT LIMITED

Opinion

We have audited the financial statements of Look Ahead Care and Support Limited (the 'Association') and its subsidiaries (the 'Group') for the year ended 31 March 2023 which comprise the statements of comprehensive income, statements of changes in reserves, statements of financial position, consolidated statements of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and Association's affairs as at 31 March 2023 and of the income and expenditure of the Group and the income and expenditure of the Association for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

LOOK AHEAD CARE AND SUPPORT LIMITED

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the Association has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account of the Association; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the Board's responsibilities statement set out on page 20, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines 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 Board is responsible for assessing the group's and the Association'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 Board either intends to liquidate the group or the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

LOOK AHEAD CARE AND SUPPORT LIMITED

reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from internal/external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are Health and Safety at Work Act 1974, Care Act 2014, Mental Health Act and Regulator of Social Housing Regulatory Standards (both Economic and Consumer standards). We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

LOOK AHEAD CARE AND SUPPORT LIMITED

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

The engagement partner on the audit resulting in this independent auditor's report is John Guest

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

Use of our report

This report is made solely to the Association's members as a body, in accordance with Part 7 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
Ninth Floor, Landmark
St Peter's Square
1 Oxford Street
Manchester
M1 4PB

Date 27/09/23

LOOK AHEAD CARE AND SUPPORT LIMITED

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023

	Note	Group 2023	Association 2023	Group 2022	Association 2022
		£'000	£'000	£'000	£'000
Turnover	5	79,266	71,946	77,607	69,678
Operating expenditure	5	(80,881)	(73,483)	(75,199)	(67,208)
Operating (deficit)/surplus	5	<u>(1,615)</u>	<u>(1,537)</u>	<u>2,408</u>	<u>2,470</u>
Profit on disposal of property, plant and equipment (fixed assets)	23	38	38	22	22
Interest receivable		43	43	4	4
Investment income receivable		309	309	228	228
Investment charges payable	12	(315)	(315)	(288)	(288)
Interest and financing costs	8	(977)	(977)	(517)	(517)
Amortisation of goodwill	10	(606)	-	(606)	-
Increase/(decrease) in fair value of financial investments	12	(1,145)	(1,145)	1,092	1,092
Increase in valuation of investment properties	12	1,347	1,452	793	793
Total (deficit)/surplus for the year		<u>(2,921)</u>	<u>(2,132)</u>	<u>3,136</u>	<u>3,804</u>
Actuarial (losses)/gains in respect of pension schemes	17	(1,853)	(1,853)	4,819	4,819
Total comprehensive income for the year		<u>(4,774)</u>	<u>(3,985)</u>	<u>7,955</u>	<u>8,623</u>

All of Look Ahead's and its subsidiaries' operations are continuing.

The financial statements on pages 26 to 72 were approved and authorised for issue by the Board of Management on 26 September 2023 and were signed on its behalf by:

Mary Watkins

KD Gould

Claire Luxton

**Baroness Mary Watkins
Chair**

Kevin Gould

Claire Luxton

LOOK AHEAD CARE AND SUPPORT LIMITED

**CONSOLIDATED STATEMENTS OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31 MARCH 2023**

	Unrestricted Reserve	Restricted Reserve	Total
	£'000	£'000	£'000
Balance at 31 March 2021	85,245	161	85,406
Actuarial gains	4,819	-	4,819
Surplus/(deficit) from statement of comprehensive income for the year ended 31 March 2022	3,140	(4)	3,136
Balance at 31 March 2022	<u>93,204</u>	<u>157</u>	<u>93,361</u>
Actuarial losses	(1,853)	-	(1,853)
Surplus/(deficit) from statement of comprehensive income for the year ended 31 March 2023	(2,915)	(6)	(2,921)
Balance at 31 March 2023	<u>88,436</u>	<u>151</u>	<u>88,587</u>

LOOK AHEAD CARE AND SUPPORT LIMITED

**ASSOCIATION STATEMENTS OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31 MARCH 2023**

	Unrestricted Reserve	Restricted Reserve	Total
	£'000	£'000	£'000
Balance at 31 March 2021	<u>85,053</u>	<u>161</u>	<u>85,214</u>
Actuarial gains	4,819	-	4,819
Surplus/(deficit) from statement of comprehensive income for the year ended 31 March 2022	3,808	(4)	3,804
Balance at 31 March 2022	<u>93,680</u>	<u>157</u>	<u>93,837</u>
Actuarial losses	(1,853)	-	(1,853)
Surplus/(deficit) from statement of comprehensive income for the year ended 31 March 2023	(2,126)	(6)	(2,132)
Balance at 31 March 2023	<u>89,701</u>	<u>151</u>	<u>89,852</u>

LOOK AHEAD CARE AND SUPPORT LIMITED

STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Note	Group 2023	Association 2023	Group 2022	Association 2022
		£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	10	5,792	1,734	6,488	1,823
Tangible fixed assets	11	140,680	131,982	137,467	129,156
Investments	12	43,001	58,143	49,040	63,789
Total fixed assets		189,473	191,859	192,995	194,768
Current assets					
Trade and other debtors	14	14,852	14,263	13,893	13,465
Cash and cash equivalents		4,119	2,985	3,191	1,230
Total current assets		18,971	17,248	17,084	14,695
Creditors					
Amounts falling due within one year	15	(39,524)	(38,939)	(35,156)	(34,091)
Net current liabilities		(20,553)	(21,691)	(18,072)	(19,396)
Total assets less current liabilities		168,920	170,168	174,923	175,372
Creditors					
Amounts falling due after more than one year	16	(72,557)	(72,540)	(74,060)	(74,033)
Defined Benefit Pension Scheme	17	(7,776)	(7,776)	(7,502)	(7,502)
Total net assets		88,587	89,852	93,361	93,837
Reserves					
Income and expenditure reserve		88,436	89,701	93,204	93,680
Restricted reserve		151	151	157	157
		88,587	89,852	93,361	93,837

The financial statements on pages 26 to 72 were approved and authorised for issue by the Board of Management on 26 September 2023 and were signed on its behalf by:

Mary Watkins

KD Gould

Claire Luxton

**Baroness Mary Watkins
Chair**

Kevin Gould

Claire Luxton

LOOK AHEAD CARE AND SUPPORT LIMITED

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	2023		2022	
	£'000	£'000	£'000	£'000
Net cash generated from operating activities (Note 1)		(2,939)		1,001
Cash flow from investing activities				
Purchase of fixed assets	(6,334)		(8,242)	
Purchase of intangible fixed assets	(377)		(361)	
Purchase of investments	(309)		(228)	
Purchase of investment properties	-		(876)	
Proceeds from sale of fixed assets	-		22	
Disposal of investments	5,800		5,050	
Interest received	352		232	
Capital grants received	-		522	
		(868)		(3,881)
Cash flow from financing activities				
Interest and investment charges paid	(784)		(236)	
Recycled capital grant repaid	-		(168)	
Amounts drawn down from revolving credit facility	6,277		4,100	
Amounts repaid to revolving credit facility	(250)		(1,000)	
Housing loans repaid	(508)		(488)	
		4,735		2,208
Net change in cash and cash equivalents		928		(672)
Cash and cash equivalents at beginning of year		3,191		3,863
Cash and cash equivalents at end of year		4,119		3,191
Comprising:				
Cash		3,291		1,870
Short term deposits		828		1,321
		4,119		3,191

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. CASH FLOW FROM OPERATING ACTIVITIES	2023	2022
	£'000	£'000
(Deficit) / surplus for the year	(2,921)	3,136
<i>Adjustments for non-cash items:</i>		
Depreciation of tangible fixed assets	3,137	3,034
Amortisation of intangible fixed assets	1,074	712
Increase in trade and other debtors	(888)	(1,717)
(Decrease) in trade and other creditors	(1,824)	(742)
Pension costs less contributions payable	(1,772)	(1,359)
Carrying value of disposed tangible fixed assets	422	182
<i>Adjustments for investing or financing activities</i>		
Decrease/(increase) in fair value of investments	1,145	(1,092)
(Increase) in valuation of investment properties	(1,347)	(793)
Government grants amortised in the year	(905)	(933)
Carrying value of recycled capital grant	-	-
Interest payable	977	517
Investment charges payable	315	288
Interest and investment income receivable	(352)	(232)
Net cash (used in)/generated from operating activities	(2,939)	1,001

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including FRS 102 (the Financial Reporting Standard applicable in the UK and Republic of Ireland), and with the Housing SORP 2018 (Statement of Recommended Practice for registered social housing providers). They also comply with the Accounting Direction for Private Registered Providers of Social Housing 2022. The Association is registered under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Financial Conduct Authority as a Community Benefit Society. It is a public benefit entity.

Basis of accounting

The financial statements are prepared on the historical cost basis of accounting with the exception of investments, which are accounted for at valuation.

Basis of consolidation

The consolidated financial statements incorporate those of Look Ahead Care and Support Limited (the Association) and all of its subsidiaries: Look Ahead Developments Limited, Larch Residential Services Limited, Blythson Limited and Kingswood Care Services Limited (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). All financial statements are made up to 31 March 2023.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

The cost of a business combination is the fair value at the acquisition date of the assets given and liabilities incurred or assumed, plus directly attributable costs.

The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

3. SIGNIFICANT JUDGEMENTS AND ESTIMATES

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include:

Bad debt provision

The bad debt provision is based on 100% of former tenant and 5% of current tenant rent arrears. We deem this as reasonable. However, if rental debtors continue to rise consideration will be made for reviewing this policy.

Depreciation and amortisation

With the introduction of FRS 102, grants are being amortised over the life of the structure. The cost is depreciated over the useful life of the individual components. The useful lives are in line with the prior year and are deemed reasonable. The total depreciation charge was £3.1 million and amortisation of grant was £0.9 million.

Impairment

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

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use of the asset based on its service potential, are recognised as impairment losses in the income and expenditure account.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in income and expenditure. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

4. PRINCIPAL ACCOUNTING POLICIES

Going Concern

The Group's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. The current business plan reflects growth over the next five years. In 2023 we have acquired an additional property that we will run a service for people with learning disabilities from.

The statement of financial position shows a net current liability rather than asset due to a short-term loan secured against the investment portfolio. This facility was to cover 50% of the cost of the acquisition of Blythson and Kingswood and property purchases and development, and it can be paid back at short notice by disinvesting from the portfolio,

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

valued at £32 million at 31 March 2023. A new facility was arranged during 2022/23 that will be used in part to refinance the revolving facility.

We prepare a 30-year business plan including cashflow forecasts and financial performance. We stress test this for adverse situations. Even in the most severe unlikely situations, having more than £30 million in an investment portfolio means that we can survive short term adverse conditions. Therefore, no significant concerns have been noted and we consider it appropriate to continue to prepare the financial statements on a going concern basis.

Turnover

Turnover represents contract income from local authorities and health authorities; fees and revenue-based grants receivable from local authorities, health authorities, Homes England and other agencies; rent and service charge income receivable; management fees in respect of accommodation that Look Ahead manages on behalf of other social landlords and charitable donations from individuals, companies and trusts. Income is recognised as it becomes receivable.

Categorisation of properties

Properties held for social benefit, principally the provision of social housing, care and support, and properties such as offices used in the administration of those activities, are classified as Property, Plant and Equipment (fixed assets). These are referred to below as operational housing properties.

Properties held to earn commercial rentals or for capital appreciation are classified as investment properties.

Operational housing properties

Operational housing properties are stated at cost less accumulated depreciation and impairment losses (see below). The cost of properties is their purchase price, together with incidental costs of acquisition including interest payable, and any subsequent improvements.

Interest payable relating to the construction of housing properties is capitalised by applying Look Ahead's cost of borrowing to expenditure during the construction of the property up to the date of practical completion. No interest was capitalised during the year.

Depreciation is calculated on the cost of properties and their major components and is charged on a straight-line basis over their expected useful economic lives as shown below. Freehold land is not depreciated.

Structure – Supported Housing	100 years
Structure – Registered Care Homes	100 years
Bathroom	20 years
Kitchen	20 years

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Roof (depending on type)	15-50 years
Fire remedial works	10 years
Boilers and heating	10 years

Impairment in the value of housing properties is recognised by writing them down to their recoverable amount. The recoverable amount is the higher of a) fair value less cost to sell, including any repayable grant; and b) value in use. Any resulting losses are charged to the statement of comprehensive income in the year in which the impairment is recognised.

At each reporting date, management assesses whether an indicator of impairment exists at the level of each cash generating unit, the smallest identifiable group of assets that generates cash inflows that are largely independent from the cash inflows from other assets. For the years ending 31 March 2022 and 31 March 2023, management considered that the appropriate cash generating unit was the Scheme, an internally defined grouping of typically co-located assets on which development and acquisition decisions and management reporting are based.

The indicators of impairment considered to ascertain any impairment are whether:

- properties in management are in a good state of repair
- properties are currently in a rolling cyclical maintenance programme and individual components are continually assessed and the stock condition database updated accordingly
- the stock is in good condition and all urgent, emergency and routine works are carried out promptly
- properties meet the Decent Homes Standard.
- there is a current operating deficit or net cash outflow from operating activities.
- there is an expectation of future operating losses or negative cashflows from operating activities.
- there is an increase in void levels that is not expected to reverse.
- there are any social, demographic or environmental changes which result in the value of housing properties having declined significantly.
- there are any significant adverse changes in the statutory or regulatory environment which result in the value of housing properties having declined significantly.

Where an indicator of impairment exists, value in use is first estimated using discounted expected future cash flows from the cash generating unit. If this estimate is below the carrying amount, value in use in respect of assets held for service potential (VIU-SP) is determined by estimating the lower of the cost of constructing an equivalent asset and acquiring an equivalent asset on the open market.

Investment properties

Investment properties are accounted for at fair value and changes in value are taken annually to the Statement of Comprehensive Income. Fair value is determined by independent valuers registered with Royal Institute of Chartered Surveyors (RICS), in accordance with RICS Valuation – Professional Standards.

Other tangible fixed assets and depreciation

Other tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on a straight line basis over the expected useful economic lives of the assets. The principal annual rates used are:

Office improvement works	Remaining length of lease
Office furniture and equipment	between 10% and 20%
Furniture and equipment in projects	between 10% and 50%
White goods	20%
Computer equipment	between 10% and 50%

Goodwill

Goodwill is capitalised and written off evenly over 10 years as in the opinion of management, this represents the period over which the goodwill is expected to give rise to economic benefits.

Government grants

Government grants include Social Housing Grant and comprise grants received from Homes England, local authorities, devolved government agencies, health authorities, and other public bodies. Government grants are initially measured at fair value.

Grants relating to assets are recognised in income over the expected useful life of the housing property structure to which they relate.

Grants relating to revenue are recognised in income on a systematic basis over the period in which the costs for which the grant is intended to compensate are incurred.

Social Housing Grant on sold property is transferred to the Recycled Capital Grant Fund for future use; it may nevertheless become repayable if it is not reused within 3 years. The amount repayable would be restricted to the net proceeds of sale, where appropriate.

Other grants

Other grants are recognised to the extent that any performance-related conditions imposed on the recipient have been met. A grant that does not impose specified performance-related conditions is recognised as revenue when grant proceeds are received or receivable.

Sale of property, plant and equipment

In the event of an asset sale, net surplus or deficit is taken to be sale proceeds less costs of sale. On disposal of an asset for which government grant was received and which there is an obligation to repay, a liability is included in the Statement of Financial Position. The portion of grant which had been amortised prior to disposal is deducted from the surplus on disposal in the Statement of Comprehensive Income.

Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Software configuration costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- a) The technical feasibility of completing the software so that it will be available for use.
- b) The intention to complete the software and use it.
- c) The ability to use the software.
- d) How the software will generate probable future economic benefits.
- e) The availability of adequate technical, financial and other resources to complete the development and to use the software.
- f) The ability to measure reliably the expenditure attributable to the software during its development.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. The intangible assets are amortised over the following useful economic lives:

Purchased and internally developed software: between 3 and 7 years

Capitalisation of development overheads

Directly attributable development administration costs are capitalised. These include the labour costs of employees arising directly from the construction or acquisition of the property, and the incremental costs that would have been avoided only if the property had not been constructed or acquired.

Stocks

Consumable stocks are expensed in the period in which they are purchased.

Pension costs

Look Ahead Care and Support Limited participates in two Social Housing Pension Schemes (SHPS) available to permanent employees. Since 1 April 2022 membership of the defined benefit schemes has closed and Look Ahead now offers the SHPS defined contribution scheme to all new staff.

The Social Housing Pension Scheme defined benefit schemes are operated by the Pensions Trust. Contributions to these pension schemes are calculated as a percentage of pensionable salaries of the employees, determined in accordance with actuarial advice plus past deficit contributions. From 31 March 2020, the liability per member organisation has been calculated and this is reflected in our Statement of Financial Position.

Further assumptions regarding the SHPS pension scheme can be found in note 17 of the Financial Statements.

Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a discount rate. The unwinding of the discount is recognised as finance cost in Statement of Comprehensive Income in the period it arises.

Value Added Tax

Income from a large central London hostel is subject to VAT, which in turn entitles it to recover VAT incurred on related expenditure from HM Revenue and Customs. All other main income streams are exempt from or outside the scope of VAT, which results in a VAT cost on associated expenditure. As only part of its activities is taxable, Look Ahead performs a partial exemption calculation that allows it to recover a proportion of the VAT incurred on its office overheads. The financial statements include within expenditure, only the VAT that is suffered by Look Ahead and not recovered from HM Revenue and Customs. The balance of VAT receivable or payable at the year-end is shown as a current asset or liability.

Interest

Interest charged on loans reflects the effective annual cost of financing those loans. Interest payable relating to the construction of housing properties is capitalised by applying Look Ahead's cost of borrowing to expenditure during the construction of the property up to the date of practical completion.

Operating leases

Rentals payable under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the group recognises annual rent expense equal to amounts owed to the lessor.

The aggregate benefits of lease incentives are recognised as a reduction in the rent expense over the lease term on a straight-line basis.

Agency managed accommodation

Where accommodation is managed for Look Ahead Care and Support Limited by a specialist agency but all, or substantially all, of the economic risks and benefits remain with Look Ahead, all income and expenditure relating to that scheme is included in the Statement of Comprehensive Income. Where the economic risks and benefits are

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

transferred to the agency, only that income and expenditure which relates directly to Look Ahead is included.

Financial investments

Financial investments comprise quoted equities; money market instruments; fixed income securities; and alternative investments including unquoted equity instruments.

These investments are stated on a fair value basis in accordance with Look Ahead's investment policy. Accordingly, changes in fair value are recognised in profit or loss in the Statement of Comprehensive Income.

Financial instruments

Look Ahead Care and Support Limited's loans are treated as basic financial instruments in accordance with FRS 102. and therefore, the carrying value is measured at amortised cost. FRS 102 requires that basic financial instruments are subsequently measured at amortised cost, however the Association has calculated that the difference between the historical cost and amortised cost basis is not material and so these financial instruments are stated on the Statement of Financial Position at historical cost.

Other financial instruments such as debtors, cash and creditors are accounted for at transaction price or at cost less any impairment.

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

5. LETTINGS AND RELATED INFORMATION

(a) Particulars of turnover, operating costs and operating surplus

	Group 2023		
	Turnover	Operating Costs	Operating surplus
	£'000	£'000	£'000
Social housing lettings (note 5b)	29,454	(31,206)	(1,752)
Other social housing activities			
Care & Support contracts	39,901	(41,963)	(2,062)
Activities other than social housing activities			
Care contracts other than social housing	8,910	(7,458)	1,452
Lettings other than social housing	5	(29)	(24)
Commercial property	729	(99)	630
Other	267	(126)	141
Total	79,266	(80,881)	(1,615)

Included under Other is £123k of abortive acquisition and merger costs.

	Association 2023		
	Turnover	Operating Costs	Operating surplus
	£'000	£'000	£'000
Social housing lettings (note 5b)	29,454	(31,206)	(1,752)
Other social housing activities			
Care & Support contracts	39,901	(41,963)	(2,062)
Activities other than social housing activities			
Commercial property	820	(191)	629
Gift aid from subsidiaries	1,504	-	1,504
Other	267	(123)	144
Total	71,946	(73,483)	(1,537)

Included under Other is £123k of abortive acquisition and merger costs

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

5. LETTINGS AND RELATED INFORMATION (continued)

(a) Particulars of turnover, operating costs and operating surplus (continued)

	Group 2022		
	Turnover	Operating Costs	Operating surplus / (deficit)
	£'000	£'000	£'000
Social housing lettings (note 5b)	27,797	(28,451)	(654)
Other social housing activities			
Care & Support contracts	39,566	(38,687)	879
Activities other than social housing activities			
Care contracts other than social housing	9,994	(8,526)	1,468
Lettings other than social housing	5	(27)	(22)
Commercial property	187	496	683
Other	58	(4)	54
	<hr/>	<hr/>	<hr/>
Total	77,607	(75,199)	2,408
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	Association 2022		
	Turnover	Operating Costs	Operating surplus / (deficit)
	£'000	£'000	£'000
Social housing lettings (note 5b)	27,797	(28,451)	(654)
Other social housing activities			
Care & Support contracts	39,566	(38,687)	879
Activities other than social housing activities			
Commercial property	769	(70)	699
Gift aid from subsidiaries	1,488	-	1,488
Other	58	-	58
	<hr/>	<hr/>	<hr/>
Total	69,678	(67,208)	2,470
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

5. LETTINGS AND RELATED INFORMATION (continued)**(b) Particulars of income and expenditure from lettings**

	Group and Association	
	Supported Housing	
	2023	2022
	£'000	£'000
Income		
Rent receivable net of identifiable service charges	13,430	13,343
Service charge income	15,136	13,535
Amortised government grants	888	919
Total income from Social Housing lettings	29,454	27,797
Operating Expenditure		
Service charges	12,850	12,281
Management	12,879	11,459
Routine maintenance	2,268	2,498
Major repairs not capitalised	272	67
Depreciation of properties	2,078	1,771
Rent and service charge losses from bad debts	859	375
Total expenditure on Social Housing Lettings	31,206	28,451
Operating deficit on Social Housing Lettings	(1,752)	(654)

Net rental income is shown after deducting voids of £2,249,000 (2022: £2,166,000): this is rent lost through dwellings being vacant.

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

5. LETTINGS AND RELATED INFORMATION (continued)

(c) Accommodation in management

	Group	
	2023	2022
	Number of Units	Number of Units
Supported housing	2,331	2,445
Registered care homes	119	98
	<hr/> 2,450 <hr/>	<hr/> 2,543 <hr/>
	Number of customers	Number of customers
Domiciliary and other customers at year end	3,106	3,325
	<hr/> <hr/>	<hr/> <hr/>
	Association	
	2023	2022
	Number of Units	Number of Units
Supported housing	2,331	2,413
Registered care homes	59	59
	<hr/> 2,390 <hr/>	<hr/> 2,472 <hr/>
	Number of customers	Number of customers
Domiciliary and other customers at year end	3,038	3,249
	<hr/> <hr/>	<hr/> <hr/>

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

5. LETTINGS AND RELATED INFORMATION (continued)

(d) Agency managed accommodation

The following organisations manage accommodation on behalf of Look Ahead. Only the net income receivable on these properties and any outgoings specifically borne by Look Ahead are included in these statements.

Managing body	Group and Association			
	Net Income Receivable			
	31 March 2023		31 March 2022	
	£'000	Number of units	£'000	Number of units
Housing Options Service	578	44	578	44
Westminster City Council				
London Cyrenians	200	28	195	28
Certitude Support	190	19	146	19
Swan Housing Association	79	15	76	15
CAYSH	79	7	35	7
Single Homeless Project (SHP)	54	9	54	9
Depaul UK	43	7	33	7
Outlook Care Ltd	-	-	11	5
Total	1,223	129	1,128	134

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

5. LETTINGS AND RELATED INFORMATION (continued)

(e) Services provided in accommodation owned by others

Registered Provider	Group and Association			
	Income payable by Look Ahead Care and Support			
	31 March 2023		31 March 2022	
	£'000	Number of units	£'000	Number of units
Notting Hill Genesis	827	162	961	193
London & Quadrant Trust	865	218	708	218
Salvation Army HA	585	124	560	124
St Mungo's	228	54	469	125
Peabody Trust	346	88	342	99
Shepherds Bush HA	319	60	330	60
Network Stadium	233	78	223	78
One Housing Group	220	39	210	39
Hyde HA	174	44	159	44
Downshire Homes	116	12	140	12
PA Housing	128	23	121	23
Southern	99	34	117	34
Clarion Housing	143	34	150	34
Moat	90	35	87	35
Central & Cecil Housing	89	24	79	24
NHS Property Services	66	15	66	15
Milton Keynes Council	41	13	60	20
Hexagon	72	42	83	42
Harrow Council	-	-	21	18
Gateway HA	54	9	52	9
Guinness Partnership	58	16	51	16
Jenkins and Pain	47	10	43	10
Home Group Limited	98	23	49	23
Catalyst	44	9	42	9
LB Hounslow	39	11	39	11
Metropolitan Housing	30	5	30	5
Town and Country	29	7	28	7
Richmond	32	12	24	12
Croydon Churches HA	25	6	22	6
Orbit Housing	22	16	19	16
Octavia	51	9	49	9
Places for People	147	22	22	22
Total	5,317	1,254	5,356	1,392

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

5. LETTINGS AND RELATED INFORMATION (continued)

The information above relates to accommodation owned by other registered social providers (RPs), public bodies and others. Look Ahead Care and Support either provide a housing management and support service in these units or deliver a support or social care service in properties owned by these organisations.

6. BOARD MEMBERS' AND SENIOR STAFF EMOLUMENTS

The remuneration paid to members of the Board of Management, the Chief Executive Officer and the Senior Leadership Team was as follows:

	Salaries	Pension contributions	Total	Total
	2023	2023	2023	2022
	£'000	£'000	£'000	£'000
Aggregate emoluments paid to Directors (including Chief Executive Officer)	963	26	989	964
Non-Executive members	113	-	113	109

The amount paid to the highest paid director, the Chief Executive Officer, was £199,872 (2022: £214,627). No pension payments were made.

Total expenses of £1,645 (2022: £3,869) were incurred on behalf of members of the Board of Management.

The emoluments and social security costs of Board of Management and Senior Leadership Team are as follows:

	2023	2022
	£'000	£'000
Total	<u>1,102</u>	<u>1,128</u>
Number of individuals	16	18

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

6. DIRECTORS' AND SENIOR STAFF EMOLUMENTS (continued)

The emoluments (excluding pension contributions) of Board Members and their meeting attendance are as follows:

Board member	Position	2023	2022		
		£000's	Attendance at Board meetings	£000's	Attendance at Board meetings
Baroness Mary Watkins	Chair	20	9/10	13	7/8
Richard Jones	Vice Chair	15	8/10	13	8/8
Tom Dacey	Chair of Blythson & Kingswood Board	13	10/10	13	7/8
Kevin Gould	ARC Chair	13	10/10	13	8/8
Sarah Willows	ITC Chair	13	9/10	5	5/5
Sharon Slotnick	Board Member	10	8/10	10	8/8
Ellie Edwards-Scott	Board Member	10	7/10	10	6/8
Stephen Firn	Board Member	10	10/10	10	8/8
Kevin Obi	Board Member	10	9/10	10	8/8
Julie Jones (Retired September 2021)	Chair	-	-	7	2/2
Graham Buckland (Retired September 2021)	ITC Chair	-	-	4	2/2
Sean Duggan (Retired July 2021)	RemCom Chair	-	-	1	2/2

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

6. DIRECTORS' AND SENIOR STAFF EMOLUMENTS (continued)

Group	2023 Number	2022 Number
Salary banding for all employees earning over £60,000 (including salaries, bonus, any termination payments and pensions):		
£60,001 - £70,000	7	13
£70,001 - £80,000	10	2
£80,001 - £90,000	2	4
£90,001 - £100,000	4	3
£100,001 - £110,000	2	0
£110,001 - £120,000	1	0
£120,001 - £130,000	0	1
£130,001 - £140,000	1	0
£140,001 - £150,000	3	2
£150,001 - £160,000	0	2
£190,001 - £200,000	1	0
£210,001 - £220,000	0	1
	<hr/>	<hr/>
	31	28
	<hr/>	<hr/>

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

6. DIRECTORS' AND SENIOR STAFF EMOLUMENTS (continued)

Association	2023 Number	2022 Number
Salary banding for all employees earning over £60,000 (including salaries, bonus, any termination payments and pensions):		
£60,001 - £70,000	4	12
£70,001 - £80,000	9	2
£80,001 - £90,000	2	4
£90,001 - £100,000	4	3
£100,001 - £110,000	2	-
£110,001 - £120,000	1	-
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
£140,001 - £150,000	3	2
£150,001 - £160,000	-	2
£190,001 - £200,000	1	-
£210,001 - £220,000	-	1
	<u>27</u>	<u>27</u>

7. EMPLOYEE INFORMATION

	2023 Number	Group 2022 Number
The number of people, including the Chief Executive Officer and the Directors, employed at the year-end expressed as full-time equivalents was:		
Office staff	169	144
Housing, support and care staff	1,138	1,062
	<u>1,307</u>	<u>1,206</u>
The average number of employees (expressed as full-time equivalents) employed during the year was:	<u>1,170</u>	<u>1,222</u>

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

7. EMPLOYEE INFORMATION (continued)

Staff costs for these employees were:

	2023	Group
	£'000	2022
		£'000
Wages and salaries	33,305	35,880
Social security costs	3,237	3,164
Other pension costs	887	1,057
	<hr/>	<hr/>
	37,429	40,101
Contract staff employed through agencies	5,549	1,833
Personal Support Assistant wages	3,213	2,881
Personal Support Assistant Social Security costs	248	184
Personal Support Assistant pension costs	76	64
	<hr/>	<hr/>
Total staffing costs	46,515	45,063
	<hr/> <hr/>	<hr/> <hr/>

Association

2023	2022
Number	Number

The number of people, including the Chief Executive Officer and the Directors, employed at the year end expressed as full time equivalents was:

Office staff	161	137
Housing, support and care staff	883	817
	<hr/>	<hr/>
	1,044	954
	<hr/>	<hr/>

The average number of employees (expressed as full time equivalents) employed during the year was:

907	970
<hr/> <hr/>	<hr/> <hr/>

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

7. EMPLOYEE INFORMATION (continued)

Staff costs for these employees were:

	2023	Association
	£'000	2022
		£'000
Wages and salaries	27,532	30,423
Social security costs	2,761	2,750
Other pension costs	770	938
	<hr/> 31,063	<hr/> 34,111
Contract staff employed through agencies	5,549	1,808
Personal Support Assistant wages	3,213	2,881
Personal Support Assistant Social Security costs	248	184
Personal Support Assistant pension costs	76	64
	<hr/> 40,149	<hr/> 39,048

Included in the group and association amounts above are wages and salaries for Board members amounting to £112,500 (2022: £109,132) and social security costs of £4,433 (2022: £3,697).

8. INTEREST AND FINANCING COSTS

	Group and Association	
	2023	2022
	£'000	£'000
On bank and other loans	784	236
Social Housing Pension Scheme defined benefit scheme pension charge	184	279
Recycled capital grant interest	9	2
	<hr/> 977	<hr/> 517

No interest has been capitalised in the year (2022: £NIL).

9. SURPLUS FOR THE YEAR

	Group 2023	Association 2023	Group 2022	Association 2022
	£'000	£'000	£'000	£'000
Surplus for the year is stated after charging:				
Amortisation of intangible assets	1,074	467	712	105
Depreciation of tangible fixed assets	3,131	3,060	3,028	2,995
Auditor's remuneration (excluding VAT):				
In their capacity as auditors	125	91	65	39
In respect of other services	-	-	-	-
Hire of non-plant and machinery assets under operating leases	593	593	606	606

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

10. INTANGIBLE FIXED ASSETS

	2023	2023	2023	Group 2022
	Goodwill £'000	Software £'000	Total £'000	Total £'000
Cost				
At 1 April 2022	6,062	2,646	8,708	8,347
Additions	-	378	378	361
At 31 March 2023	6,062	3,024	9,086	8,708
Amortisation				
At 1 April 2022	(1,397)	(823)	(2,220)	(1,508)
Amortisation charge for the year	(607)	(467)	(1,074)	(712)
At 31 March 2023	(2,004)	(1,290)	(3,294)	(2,220)
Net book value at 31 March 2023	4,058	1,734	5,792	6,488
At 31 March 2022	4,665	1,823	6,488	6,839

	2023	Association 2022
	Software £'000	Software £'000
Cost		
At 1 April 2022	2,646	2,285
Additions	378	361
At 31 March 2023	3,024	2,646
Amortisation		
At 1 April 2022	(823)	(717)
Amortisation charge for the year	(467)	(105)
At 31 March 2023	(1,290)	(823)
Net book value At 31 March 2023	1,734	1,823
At 31 March 2022	1,823	1,568

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

11. TANGIBLE FIXED ASSETS

(a) Operational housing properties

	Group	Association	Group	Association
	2023	2023	2022	2022
	£'000		£'000	
Cost				
At 1 April 2022	154,782	146,489	148,159	139,897
Additions - existing properties	4,361	4,361	6,494	6,461
Additions – new properties	858	858	425	425
Transfer from investment property	588	588	-	-
Reclassification	288	-	-	-
Transfer to other assets	-	-	(223)	(223)
Transfer to investment properties	(511)	(511)	-	-
Disposals	(389)	(389)	(73)	(73)
At 31 March 2023	159,977	151,396	154,782	146,489
Depreciation				
At 1 April 2022	(20,385)	(20,293)	(18,493)	(18,431)
Depreciation charge for the year	(2,237)	(2,214)	(1,904)	(1,874)
Transfer to investment properties	71	71	-	-
Disposals	61	61	12	12
At 31 March 2023	(22,490)	(22,375)	(20,385)	(20,293)
Net book value				
At 31 March 2022/23	137,487	129,021	134,397	126,196

11. TANGIBLE FIXED ASSETS (continued)

(a) Operational housing properties (continued)

The total amount expended on existing properties in the year was £4,290,000 (2022: £6,494,000).

The total book value of properties secured against the housing loan portfolio (note 16) is £11,332,000.

	Group 2023 £'000	Association 2023 £'000	Group 2022 £'000	Association 2022 £'000
Housing properties at net book value comprise:				
Freehold	127,748	119,282	124,468	116,267
Long leaseholds	9,312	9,312	9,517	9,517
Short leaseholds	427	427	412	412
	<u>137,487</u>	<u>129,021</u>	<u>134,397</u>	<u>126,196</u>

(b) Other tangible assets

	Office improvement £'000	Furniture & equipment £'000	Computer equipment £'000	Group Total £'000
Cost				
At 1 April 2022	1,361	7,500	1,699	10,560
Additions	-	937	177	1,114
Disposals	-	(317)	-	(317)
At 31 March 2023	<u>1,361</u>	<u>8,120</u>	<u>1,876</u>	<u>11,356</u>
Depreciation				
At 1 April 2022	(1,085)	(5,277)	(1,130)	(7,492)
Charge for the year	(138)	(593)	(163)	(894)
Disposals	-	223	-	223
At 31 March 2023	<u>(1,223)</u>	<u>(5,647)</u>	<u>(1,293)</u>	<u>(8,163)</u>
Net book value at 31 March 2023	<u>138</u>	<u>2,473</u>	<u>583</u>	<u>3,193</u>
At 31 March 2022	<u>276</u>	<u>2,223</u>	<u>569</u>	<u>3,068</u>

11. TANGIBLE FIXED ASSETS (continued)

(b) Other tangible assets (continued)

	Association			
	Office improvement works £'000	Furniture & equipment £'000	Computer equipment £'000	Total £'000
Cost				
At 1 April 2022	1,361	7,247	1,697	10,305
Additions	-	766	175	941
Disposals	-	(306)	-	(306)
At 31 March 2023	<u>1,361</u>	<u>7,707</u>	<u>1,872</u>	<u>10,940</u>
Depreciation				
At 1 April 2022	(1,085)	(5,130)	(1,130)	(7,345)
Charge for the year	(138)	(546)	(162)	(846)
Disposals	-	212	-	212
At 31 March 2023	<u>(1,223)</u>	<u>(5,464)</u>	<u>(1,292)</u>	<u>(7,979)</u>
Net book value at 31 March 2023	<u>138</u>	<u>2,243</u>	<u>580</u>	<u>2,961</u>
At 31 March 2022	<u>276</u>	<u>2,117</u>	<u>567</u>	<u>2,960</u>

12. INVESTMENTS

(a) Financial Investments

	Group and Association	
Fair Value	2023 £'000	2022 £'000
At 1 April 2022	39,098	43,116
Additions	309	228
Disposals	(5,800)	(5,050)
Investment charges	(315)	(288)
Unrealised (loss) / gain	(1,145)	1,093
	<u>32,147</u>	<u>39,098</u>
At 31 March 2023	32,147	39,098

	Group and Association	
Fair Value	2023 £'000	2022 £'000
Money market	1,190	5,005
Fixed income securities	7,112	8,406
Equities	20,209	21,504
Properties	-	4,183
Hedge funds	3,636	-
	<u>32,147</u>	<u>39,098</u>
At 31 March 2023	32,147	39,098

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(b) Investment Property

	Group	
Fair Value	2023	2022
	£'000	£'000
At 1 April 2022	9,942	8,273
Additions transferred from social housing properties	440	-
Additions	-	876
Reclassification	(288)	-
Increase in fair value	1,347	793
Disposals transferred to social housing properties	(588)	-
At 31 March 2023	<u>10,853</u>	<u>9,942</u>

	Association	
Fair Value	2023	2022
	£'000	£'000
At 1 April 2022	11,857	10,188
Additions transferred from social housing properties	440	-
Disposals transferred to social housing properties	(588)	-
Other additions	-	876
Increase in fair value	1,452	793
At 31 March 2023	<u>13,161</u>	<u>11,857</u>

The 2023 valuations were performed by Jones Lang Lasalle Limited in accordance with RICS valuation – professional standards 2014 on the basis of fair value.

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

13. INVESTMENT IN SUBSIDIARIES

	2023	2022
	£000	£000
Look Ahead Developments Limited	-	-
Larch Residential Services Limited	-	-
Blythson Limited	8,960	8,960
Kingswood Care Services Limited	3,874	3,874
	<u>12,834</u>	<u>12,834</u>

Look Ahead Care and Support Limited owns 100% of the share capital of Look Ahead Developments Limited. The subsidiary was incorporated in England as a trading company on 12 February 2008 to provide construction, design and build services.

Look Ahead Care and Support Limited owns 100% of the share capital of Larch Residential Services Limited. The subsidiary was incorporated in England as a trading company on 5 October 2018 to provide renting and operating of Housing Association real estate services.

Look Ahead Care and Support Limited owns 100% of the share capital of Blythson Limited. The subsidiary was incorporated in England as a trading company on 25 July 1994 to provide residential care activities for customers with learning disabilities.

Look Ahead Care and Support Limited owns 100% of the share capital of Kingswood Care Services Limited. The subsidiary was incorporated in England as a trading company on 19 May 1998 to provide residential care activities for customers with learning disabilities.

All the directors of these subsidiaries are employed by Look Ahead Care and Support and are paid for their services as employees of Look Ahead Care and Support.

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

14. TRADE AND OTHER DEBTORS

	Group	Association	Group	Association
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Amounts receivable within one year:				
Gross rental debtors	3,863	3,863	4,028	4,028
Less: provision for bad debts	(3,612)	(3,612)	(2,914)	(2,914)
Net rental debtors	251	251	1,114	1,114
Trade debtors	9,228	8,851	7,701	7,265
Prepayments and accrued income	4,855	4,598	4,801	4,676
VAT	25	-	1	-
Other debtors	493	454	276	262
Look Ahead Developments Limited	-	83	-	46
Larch Residential Services Limited	-	26	-	102
	14,852	14,263	13,893	13,465

Included in the Group figures above are assets of £9,997k at amortised cost (2022: £9,092k). Included in the Association figures above are assets of £9,556k at amortised cost (2022: £8,641k). Included in the Association figures are assets of £109k measured at cost less impairment (2022: £148k). No assets have been measured at fair value through the Statement of Comprehensive Income, except for the investments disclosed in Notes 12a and 12b.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Association	Group	Association
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Housing loans	4,606	4,606	4,524	4,524
Other loans	17,260	17,260	11,233	11,233
Trade creditors	4,830	4,779	2,062	1,487
Social Security	775	659	793	696
VAT	115	115	52	52
Other creditors	433	415	1,187	1,175
Hire purchase contracts	-	-	9	-
Deferred government grant (Note 25)	937	937	938	938
Accruals and other deferred income	10,100	9,700	13,900	13,528
Recycled capital grant fund (Note 24)	468	468	458	458
	<u>39,524</u>	<u>38,939</u>	<u>35,156</u>	<u>34,091</u>

Included in the Group figures above are liabilities of £27,597k at amortised cost (2022: £19,450k). Included in the Association figures above are liabilities of £27,528k at amortised cost (2022: £18,877k). There are no liabilities measured at fair value through the Statement of Comprehensive Income.

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

	Group	Association	Group	Association
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Deferred government grant (Note 25)	69,305	69,305	70,309	70,309
Recycled capital grant fund (Note 24)	101	101	-	-
Housing loans	3,134	3,134	3,724	3,724
Hire purchase contracts	17	-	27	-
	<u>72,557</u>	<u>72,540</u>	<u>74,060</u>	<u>74,033</u>

Included in the Group figures above are liabilities of £69,322k at amortised cost (2022: £70,336k). Included in the Association figures above are liabilities of £69,305k at amortised cost (2022: £70,309k). There are no liabilities measured at fair value through the Statement of Comprehensive Income.

**16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR
(continued)****Total housing loans consist of the following:**

Lender	Group 2023 £000	Group 2022 £000
Newcastle Building Society	614	799
Dexia Public Finance Bank	6,866	7,197
Orchardbrook Ltd	260	265
	<u>7,740</u>	<u>8,261</u>

Amounts of housing loans repayable:

In one year or less (included in current liabilities)	4,606	4,524
Between one and two years	594	556
Between two and five years	1,717	1,772
In five years or more, by instalment	823	1,409
	<u>7,740</u>	<u>8,261</u>

The total book value of properties secured against the housing loan portfolio is £11,332,000 (11a).

Housing loans carry a weighted average interest rate of 3.0% (2022: 1.2%)

Other loans consist of the following:

Lender	Group 2023 £000	Group 2022 £000
Rothschilds	17,260	11,233
	<u>17,260</u>	<u>11,233</u>

Amounts of other loan repayable:

In one year or less (included in current liabilities)	17,260	11,233
	<u>17,260</u>	<u>11,233</u>

The other loans are secured against the investment portfolio (Note 12).

17. PENSION OBLIGATIONS

Social Housing Pension Scheme (SHPS)

The company participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK. The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The last completed triennial valuation of the scheme for funding purposes was carried out as at 30 September 2020. This valuation revealed a deficit of £1,560m. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028. The Scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

For financial years ending on or before 28 February 2019, it was not possible for the company to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the company has accounted for the Scheme as a defined contribution scheme. For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme. For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive.

The latest accounting valuation was carried out with an effective date of 30 September 2022. The liability figures from this valuation were rolled forward to 31 March 2023. The liabilities are compared, at the relevant accounting date, with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus.

We were notified in 2021 by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee is seeking clarification from the Court on these items, and this process is ongoing with it being unlikely to be resolved before the end of 2024 at the earliest. It is estimated that this could potentially increase the value of the full Scheme liabilities by £155m. We note that this estimate has been calculated as at 30 September 2022 on the Scheme's Technical Provisions basis. Until the Court direction is received, it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

PRESENT VALUES OF DEFINED BENEFIT OBLIGATION, FAIR VALUE OF ASSETS AND DEFINED BENEFIT ASSET (LIABILITY)

	31 March 2023 (£000s)	31 March 2022 (£000s)
Fair value of plan assets	36,374	55,614
Present value of defined benefit obligation	44,150	63,116
Surplus (deficit) in plan	(7,776)	(7,502)
Defined benefit asset (liability) to be recognised	(7,776)	(7,502)

RECONCILIATION OF THE IMPACT OF THE ASSET CEILING

There has been no impact of the asset ceiling during the year.

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION

	Period from 31 March 2022 to 31 March 2023 (£000s)
Defined benefit obligation at start of period	63,116
Expenses	53
Interest expense	1,740
Actuarial losses (gains) due to scheme experience	414
Actuarial losses (gains) due to changes in demographic assumptions	(95)
Actuarial losses (gains) due to changes in financial assumptions	(19,617)
Benefits paid and expenses	(1,461)
Defined benefit obligation at end of period	44,150

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

17. PENSION OBLIGATIONS (continued)

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE OF PLAN ASSETS

	Period from 31 March 2022 to 31 March 2023 (£000s)
Fair value of plan assets at start of period	55,614
Interest income	1,556
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(21,151)
Employer contributions	1,820
Benefits paid and expenses	(1,461)
Fair value of plan assets at end of period	36,374

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2022 to 31 March 2023 was (£19,228,000).

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

DEFINED BENEFIT COSTS RECOGNISED IN STATEMENT OF COMPREHENSIVE INCOME (SOCl)

	Period from 31 March 2022 to 31 March 2023 (£000s)
Expenses	53
Net interest expense	184
Defined benefit costs recognised in Statement of Comprehensive Income (SoCI)	237

DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME

	Period from 31 March 2022 to 31 March 2023 (£000s)
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	(21,151)
Experience gains and losses arising on the plan liabilities - gain (loss)	(414)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	95
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	19,617
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	(1,853)
Total amount recognised in Other Comprehensive Income - gain (loss)	(1,853)

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

17. PENSION OBLIGATIONS (continued)

ASSETS

	31 March 2023 (£000s)	31 March 2022 (£000s)
Global Equity	679	10,673
Absolute Return	394	2,231
Distressed Opportunities	1,101	1,990
Credit Relative Value	1,373	1,848
Alternative Risk Premia	68	1,834
Emerging Markets Debt	195	1,618
Risk Sharing	2,679	1,831
Insurance-Linked Securities	919	1,297
Property	1,566	1,502
Infrastructure	4,156	3,962
Private Debt	1,619	1,426
Opportunistic Illiquid Credit	1,557	1,869
High Yield	127	479
Opportunistic Credit	2	198
Cash	262	189
Corporate Bond Fund	-	3,710
Long Lease Property	1,098	1,431
Secured Income	1,670	2,072
Liability Driven Investment	16,758	15,518
Currency Hedging	70	(218)
Net Current Assets	93	154
Total assets	36,386	55,614

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.

	31 March 2023 % per annum	31 March 2022 % per annum
Discount Rate	4.86%	2.79%
Inflation (RPI)	3.19%	3.54%
Inflation (CPI)	2.77%	3.17%
Salary Growth	3.77%	4.17%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

17. PENSION OBLIGATIONS (continued)

KEY ASSUMPTIONS

The mortality assumptions adopted at 31 March 2023 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2022	21.0
Female retiring in 2022	23.4
Male retiring in 2042	22.2
Female retiring in 2042	24.9

18. CALLED-UP SHARE CAPITAL

Each of the Association's members holds one share of £1 in Look Ahead Care and Support Limited. These shares carry no dividend rights and are redeemable on cessation of membership if the member so chooses. Each member has the right to vote at members' meetings, but no rights to dividends or distributions upon winding up. Shares are issued to the Non-Executive members of the Look Ahead Board of Management on their formal appointment.

	2023 £	2022 £
Allotted, issued and fully paid at 1 April 2022	28	25
Issued during the year	-	3
At 31 March 2023	28	28

General reserves are available for use at the discretion of the Board in furtherance of the general objectives of Look Ahead. The restricted reserve relates to fundraising income, the use of which is subject to external restrictions.

19. LEGISLATIVE PROVISIONS

Look Ahead Care and Support Limited is incorporated under the Co-operative and Community Benefit Societies Act 2014. Look Ahead Care and Support Limited is required by statute to prepare consolidated accounts including its wholly owned subsidiaries, Look Ahead Developments Limited, Larch Residential Services Limited, Blythson Limited and Kingswood Care Services Limited.

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

20. TAXATION

Look Ahead Care and Support Limited is a charitable social landlord and is not subject to Corporation Tax.

21. CAPITAL COMMITMENTS

At 31 March 2023, Look Ahead had capital commitments were not provided for in the financial statements, as follows:

	Group and Association	
	2023 £'000	2022 £'000
Capital expenditure that has been contracted for	-	-
Capital expenditure that has been authorised	12,287	10,515

Look Ahead expects to finance the above expenditure through a combination of grant, drawdown from existing loan facilities and drawdowns from the investment portfolio.

22. FINANCIAL COMMITMENTS

At 31 March 2023, Look Ahead had contractual commitments under operating leases that were not provided for in the financial statements, as follows:

	Group and Association			
	Land and buildings		Other	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Financial commitments payable:				
Between one and two years	579	579	25	26
Between two and five years	82	661	-	13
	661	1,240	25	39

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

23. SURPLUS ON DISPOSAL OF FIXED ASSETS

	Group 2023 £'000	Association 2023 £'000	Group 2022 £'000	Association 2022 £'000
Net proceeds of sales	500	500	-	-
Cost of sales	(462)	(462)	22	22
Net surplus on sales	38	38	22	22

24. RECYCLED CAPITAL GRANT FUND

	Group and Association	
	2023 £'000	2022 £'000
At 1 April 2022	458	624
Repaid in year	-	(168)
Additions	101	-
Interest accrued	9	2
At 31 March 2023	568	458

RECYCLED CAPITAL GRANT PAYMENTS DUE

	2023 £'000	2022 £'000
Greater London Authority	101	-
Homes England	467	458
	568	458

Amounts of capital grant repayable:

In one year or less (included in current liabilities)	467	458
Between one and two years	-	-
Between two and three years	101	-
	568	458

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

25. DEFERRED GOVERNMENT GRANT

	Grant at cost £'000	Amortisation £'000	Total Net Grant £'000
At 1 April 2022	90,048	(18,801)	71,247
Disposal	(101)	28	(73)
Amortisation	-	(932)	(932)
At 31 March 2023	89,947	(19,705)	70,242

26. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2022 £'000	Cash flows £'000	Other non-cash changes £'000	At 31 March 2023 £'000
Group				
Cash and cash equivalents				
Cash	1,870	1,421	-	3,291
Short term deposits	1,321	(493)	-	828
	<u>3,191</u>	<u>928</u>	<u>-</u>	<u>4,119</u>
Borrowings				
Debt due in one year	(15,757)	(6,027)	(82)	(21,866)
Debt due after one year	(3,724)	508	82	(3,134)
	<u>(19,481)</u>	<u>(5,519)</u>	<u>-</u>	<u>(25,000)</u>
Total	<u>(16,290)</u>	<u>(4,591)</u>	<u>-</u>	<u>(20,881)</u>

27. RELATED PARTY TRANSACTIONS

Transactions between the association and its wholly owned subsidiaries are disclosed below:

During the year ended 31 March 2023 Look Ahead Developments provided design services to Look Ahead Care and Support Limited of £122,000 (2022: £17,000). At the year-end date, Look Ahead Developments Limited owed Look Ahead Care and Support Limited an amount of £86,000 (2022: £46,000).

During the year Look Ahead Care and Support Limited charged rent of £158,000 (2022: £144,000) to Larch Residential Services Limited. At the year-end date, Larch Residential Services Limited owed £26,000 (2022: £102,000) to Look Ahead Care and Support Limited.

LOOK AHEAD CARE AND SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

During the year Look Ahead Care and Support Limited charged lease costs of £131,000 (2022: £117,000) and management recharges of £131,000 (2022: £136,000) to Blythson Limited. During the year Blythson Limited made a gift aid donation of £1,029,000 (2022: £1,239,000) to Look Ahead Care and Support Limited. At the year end date, Blythson Limited owed £Nil (2022: £306,000) to Look Ahead Care and Support Limited.

During the year Look Ahead Care and Support Limited charged management fees of £131,000 (2022: £136,000) to Kingswood Care Services Limited. During the year Kingswood Care Services Limited made a gift aid donation of £474,000 (2022: £248,000) to Look Ahead Care and Support Limited. At the year-end date, Kingswood Care Services Limited owed £Nil (2022: £242,000) to Look Ahead Care and Support Limited.