

## **Meallmore Limited and Subsidiaries**

### **Directors' report and statement of directors' responsibilities for the year ended 31 March 2020**

#### **Impact of COVID-19**

Whilst the effect of COVID-19 has impacted on the operations of the business post year end, the financial effect of lower occupancy and increased costs has been largely mitigated by cost savings and additional revenues. Post-year end occupancy has recovered, and additional measures remain in place.

In light of the ongoing uncertainty triggered by the global COVID-19 pandemic, our approach to assessing going concern has been augmented this year. Our decisions and actions during the pandemic have been based on the principles of protecting our people, ensuring our business remains strong and working collaboratively with our customers through the challenges they face.

The directors have a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### **Business Relationships**

##### **Customers**

Meallmore strongly values its customers and seeks to deliver the highest level of trusted care. Meallmore routinely seeks customer feedback and takes active steps to remedy any instances of customer dissatisfaction.

##### **Suppliers**

We work with a wide range of suppliers both in the UK and beyond. We remain committed to being fair and transparent in our dealings with all of our suppliers. The Group has procedures requiring due diligence of significant suppliers as to their internal governance, including for example, their antibribery and corruption practices, data protection policies and modern slavery matters. The Group has systems and processes in place to ensure suppliers are paid in a timely manner.

#### **Greenhouse gas and energy**

Meallmore recognises that our operations have an environmental impact and we are committed going forward to monitoring and reducing our emissions year-on-year. We are also aware of our reporting obligations under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. As such, this year we have upgraded our energy and carbon reporting to meet these new requirements.

#### **Performance in the year**

This year we have calculated our environmental impact across the required scope 1, 2 and 3 (selected categories) emissions sources for the UK only. Our emissions on a location basis (using the UK grid emissions intensity) are 6,990 tCO<sub>2</sub>e, which is an average impact of 4.13 tCO<sub>2</sub>e per employee and 5.77 tCO<sub>2</sub>e per care home bed. We have calculated emission intensity metrics on both a per employee and a per bed basis, which we will monitor to track performance in our subsequent environmental disclosures.

#### **Energy and carbon action**

At Meallmore we are mindful of the environmental impact that our buildings and vehicle use have on the environment. As such over the course of the last year we have taken steps to meet our environmental responsibilities through:

- Carrying out energy audits - to comply with the requirements of the Energy Savings Opportunities Scheme (ESOS), through which we have identified several energy efficiencies measures that are under review and will be implemented as practicable;
- Reduction in travel - this year we have encouraged staff not to travel by using technology wherever possible. Investment has been put into technology across the entire estate to help facilitate this transition.

## Meallmore Limited and Subsidiaries

### Directors' report and statement of directors' responsibilities for the year ended 31 March 2020

#### Greenhouse gas and energy (continued)

##### Results for the year

The methodology used to calculate the GHG emissions is in accordance with the requirements of the following standards:

- World Resources Institute (WRI) Greenhouse Gas (GHG) Protocol (revised version);
- Defra's Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting requirements (March 2019).

Emission sources are grouped into either Scope 1, 2 or 3 using the World Resources Institute (WRI) Greenhouse Gas (GHG) Protocol (revised version) definitions:

- Scope 1: Direct GHG emissions from sources that are owned or controlled by the company;
- Scope 2: Indirect GHG emissions from the generation of purchased electricity consumed by the company;
- Scope 3: All other indirect emissions. These emissions are a consequence of the activities of the company, but occur from sources not owned or controlled by the company.

Following an operational control approach to defining our organisational boundary, our calculated GHG emissions from business activities for the period 1 April 2019 to 31 March 2020 are as follows:

	Emission source	Emissions tCO <sub>2</sub> e
Scope 1	Natural gas	1,911
	Consumption of fuel for the purposes of transport	192
	Biomass (wood pellets)	980
Scope 2	Purchased electricity	3,907
Total emissions		6,990
Carbon intensity per employee	tCO <sub>2</sub> e per employee	4.13
Carbon intensity tCO <sub>2</sub> e per Bed	tCO <sub>2</sub> e per bed (in care homes)	5.77

##### Statement of directors' responsibilities

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the consolidated and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period.