



ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Company Registration No. 09008680 (England and Wales)

Charity Registration No. 1160258

Housing and Communities Agency No. 5066

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
COMPANY INFORMATION

Directors	Martin M J Carter	
	I R Hepworth	
	I Price	
	D Smith	
	A L Hill (Chair)	
	R G Rawling	
	Terence T Carroll	
	P Myers	(Appointed 26 May 2023)
	P G Myers	(Appointed 26 May 2023)
	J Connelly	(Appointed 26 May 2023)
Senior leaders	A Massingham	(Appointed 31 May 2024)
	A M Hunt	(Appointed 31 May 2024)
	P Birkinshaw	(Chief Executive)
	C Hobbins	(Directors of Operations)
	G Green	(Directors of Support Services)
	N McCaigue	(Financial Controller)
Company number	09008680	
Registered office	Grove House 12 Riddings Road Ilkley LS29 9BF	
Auditor	Azets Audit Services Carlton House Grammar School Street Bradford BD1 4NS	
Bankers	Virgin Money 14 Broadway Bradford BD1 1EZ	
	Unity Bank Suite 302 3rd Floor Centurion House 129 Deansgate Manchester M3 3WR	

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ABBNEYFIELD THE DALES LIMITED

(A COMPANY LIMITED BY GUARANTEE)

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The directors present the strategic report for the year ended 31 March 2024.

Review of the business

Abbeyfield The Dales (ATD) continues to own and operate residential care, domiciliary extra care, supported housing and independent living services across West and North Yorkshire and has a growing presence in East Lancashire, and operates five properties owned by Abbeyfield Living Society. ATD are also the Trustees of two Almshouses.

ATD continues to benefit from a stable, knowledgeable, and experienced Board which ensures continuity of governance and oversight.

The Board continues to review and enhance their skills and the expertise of the Trustees and has recently recruited two new members Allana Massingham and Angela Hunt, who were appointed to the Board post year end to enhance 'people and culture' and 'care and quality' aspects of the governance and oversight.

In addition, the Board also welcomed two existing Trustees from Abbeyfield Burnley Society onto the Board following the transfer of their properties on the 6th April 2023. Both Pamela and Philip Myers have given many years' service to Abbeyfield Burnley, and their addition to the Board of ATD will be invaluable to ensure continuity of the Abbeyfield services in Burnley.

The Trustees would also like to place on record their appreciation to two long-standing Trustees, Amanda Ashby, Frances Johnson, and Nora Whitham who took the opportunity to resign and retire within the year. The existing Trustees wish to express their gratitude and thanks for their invaluable contribution and service to Abbeyfield The Dales, and also to Frances Johnson for her support of Abbeyfield in Menston prior to her joining ATD. The Trustees wish to pay tribute to the considerable contribution Nora Whitham has given to the Abbeyfield movement, firstly in her leadership of Abbeyfield Bradford, and more recently being a driving force and constant source of support making Abbeyfield The Dales the success it is today.

The Executive and the Board have made continued progress in making sure that governance and oversight is robust and strengthened through a process of continuous improvement. A sample of some key achievements made during the year are:

- After a turbulent year brought on by the cost-of-living crisis and the aftermath of the Covid-19 global pandemic, cash balances continue to stabilise through careful management and strategic decisions, to maintain comfortable cash reserves. The cash injection from the sale of the garage at Elbolton (April 2023) enabled ATD to move forward with future developments rather than remain static. We also took the decision, early in the year, to fix interest rates on part of our loan portfolio and provide more certainty for the next 3-5 years, during continued uncertain economic conditions and financial turbulence.

- On the 6th April 2023 we welcomed two new properties in to the ATD family that were previously owned and managed by the Abbeyfield Burnley Society. Their Trustees wished to secure the future prosperity of these properties and welfare of their residents and saw ATD as the natural choice to continue a strong Abbeyfield presence in Burnley. This strategic decision, and the transfer of these properties, strengthens our presence in the East Lancashire area and supports our growth strategy.

- Homes England supported our proposal to use the Recycled Capital Grant Fund (RCGF) against Fire Safety Works to improve compliance, and these works have been successfully completed. We brought forward a programme of current and future works and used the grant funding to offset and fund this programme. A significant component of this programme was the significant investment in one of the two sites in Burnley to meet fire safety regulations. Part of this work included the removal of an (unsafe) stairlift and install a passenger platform lift, enabling residents with restricted mobility to access ground floor facilities from their flats.

- A new management forum 'The Leaders of Abbeyfield' driven by the Senior Leader Team is well under way and is proving successful. Managers meet quarterly to discuss 'hot topics', to agree standards, and to develop knowledge, skills, and expertise. During each meeting, issues are raised and solved through a workshop environment to guarantee a united and collaborative approach to improving results and drive change. It provides an opportunity for Managers to share opportunities, ideas, and success stories in a continued learning environment.

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STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

The Board has consistently identified that the success of ATD is through the endeavours of those who are employed. A 3-year strategy was approved that will provide a focus on improving the quality of service to residents, that attracts and retains the right staff with a progressive approach to pay and reward, to grow the business, and increasing use of technology to revolutionise how we work. The Board will monitor progress in achieving the strategy objectives through oversight of progress being made in delivering a variety of initiatives to work towards the strategy objectives, and through monitoring improvements in identified key performance indicators.

Assessment of Year:

There have been several changes made within the Finance Team over the year, including month end reporting deadlines have tightened opening the opportunity to act on business performance in a timely manner. This means that the Senior Leadership Team are seeing better analytical reporting data to drive business decisions such as cost control, staff and resource management. In addition, new ideas to improve cash management are continually being explored.

We continue to be a Real Living Wage employer to attract and retain the right calibre of staff in a difficult and uncertain market. The Board, through the delegated workings of the Remuneration Committee, are committed to investing further in staff, and have already approved a reward strategy and policy, and the initial steps in being able to offer an improved 'pay and reward' package for staff.

We continue to work towards the Care and Quality measures set from the Board strategy and are working with a few external experts in their field to review and critique our existing policies, forms, processes, and quality monitored infrastructure. We will focus in preparing our registered services and their staff to implement necessary changes to ensure that we can achieve and then exceed the fundamental standards of the Care Quality Commission (CQC).

There is continued investment in our buildings, so they continue to meet high standards for our residents, but also so that they achieve a higher level of fire safety following on from the new legislation recently brought in.

The energy and professionalism of everyone associated with Abbeyfield the Dales, and demonstrated to-date in delivering positive change, continues to give cause for optimism. In particular the Trustees wish to give their appreciation to the Senior Leadership Team for their dedication and commitment to the residents of ATD and the future prosperity of the organisation.

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STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Changes during the year

There have been several changes in the current financial year that evidence Abbeyfield The Dales' continued growth, development, consolidation and effective operational management and control; these include:

- Following the implementation of Person Centred Software (PCS), our electronic care planning system, we continue to evolve and develop our use of the system to benefit our residents and care practice. PCS provides information in real time and management reports are readily available to help monitor, develop and focus on the key areas to ensure a person-centred approach is delivered to our residents, and a quality service delivered.
- Sir Francis Crossley Almshouses (SFCA) joined our portfolio of almshouses on the 1st April 2024 expanding our geographical footprint, and cements our presence in Calderdale. We continue to look at all opportunities that are the right 'fit' for the Abbeyfield the Dales model and approach to providing housing and care services. The previous Trustees of SFCA wished to ensure a bright future for this almshouse and saw ATD as the natural choice to ensure future improvements to the management of the residents and maintenance of this property.
- ATD has implemented a time and attendance system (Sona), and this has been successful in creating visibility of shifts for staff to pick up, and the better control of shifts and staffing. The next phase of its implementation is currently in progress and aims to provide reports and information that will help manage key resource levels and costs effectively. The final element of the full implementation of Sona will be a direct link to our payroll systems to ensure removal of manual processes and increase the accuracy of staff pay.
- We implemented an approach to managing the planned works programme to ensure works are completed on time and within budget so that priority works were delivered and works either deferred or brought forward based on the headroom in the budget or cost overruns. The approach was necessitated by delivering a larger programme of Fire Safety works to enable the use of the RCGF funding. This controlled approach continues into the current year where monitoring and choices are made to ensure the optimum amount of works are delivered whilst achieving budgeted spending targets.
- We continue to remove archaic processes that are either time consuming or inefficient. The development of an Access database system has merged all HR files such as staff inductions, recruitment, employee data, people management and training records into one database. The visibility of all staff records enables us to remain compliant with regulation and our policies. The next area of development will be to streamline maintenance and repair recording processes.
- Over that last three years, a significant amount of work has been invested to improve care practice, records, and governance for our CQC registered services. This work has been necessary to ensure a quality service is delivered to our residents, and to give us increased confidence that all registered services operate to a 'Good' standard. The next steps will be to work towards one or more registered services achieving an 'outstanding' rating, with the longer-term plan for every service to be rated as 'outstanding'.
- On the 13th August 2024, the Abbeyfield Living Society (formerly The Abbeyfield Society) gave notice that on the 1st April 2025 they will be taking back the running of the services in the 5 properties they own and that Abbeyfield The Dales has managed since 2016 (see post balance sheet events note).

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Plans for the future

ATD continues to hold growth ambitions. However, we are being cautious in our approach and planning of any new developments and additions to our portfolio, to allow the organisation to consolidate its operational and financial resources following the impact over the last 2 years of operating within a very difficult trading environment due to the legacy of the pandemic and more recently the cost-of-living crisis which has led to significant cost pressures.

The Board have agreed a 3-year strategy to develop and focus in the 4 key areas – Care, People, Business Development and Technology with the elements listed below.

1. Care

- Promote best practice through sharing ideas on collaborative work in the care forum.
- All registered services have a robust quality and service improvement plan.
- Annual external quality inspections supported by an enhanced internal audit program.
- Program to ensure all services are working within the new fundamental standards.
- Partnership working so new ideas are introduced and we benefit from working with experts.

2. People

- Dedicated HR / employee relations resource to ensure a consistent approach to staff management.
- Pro-active succession planning through the identification, training, and development of rising stars
- Person centered annual appraisals for all staff.
- Develop & implement remuneration strategy and policy.
- Revamp the staff induction process.
- Overhaul of recruitment processes to attract new entrants.
- Review and update sickness absence monitoring and methodology.
- The better management of bank staff.
- Review training and development offering including existing statutory and mandatory training.

3. Business Development

- Effective management of our loan facility to ensure we can maximise future growth potential.
- Attract other small organisations to become part of our Abbeyfield family.
- Growth in our almshouse portfolio where there is a strategic fit.
- Continue to facilitate and be an active member of the Abbeyfield movement in the North.
- Secure a beneficial property lease agreement with Abbeyfield Living Society, and then a longer-term arrangement. (1)

4. Technology

- Continued development of Access databases to cut wasted time and make processes simple.
- Assistive technologies for residents such as bed to bathroom lighting, video call / monitoring systems, falls monitoring systems and wireless sensor.
- Maximise the potential of existing and newly introduced systems to cut waste, make savings, and improve quality and governance.

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Going concern

The resources, finances and funds of ATD have been impacted in many ways throughout the year and this has affected trading performance and our cash position. Managing cash and resources effectively has become a key part of our normal operation, and we have focussed on many areas of our operation to make sure resources we manage our resources and spending effectively.

Despite the unprecedented challenges of the cost-of-living crisis and inflation, operations and the business are more focused in being financially prudent during these unprecedented conditions. Through the effective use of resources, and careful management, the business can look forward to benefiting from 'controlled' operating conditions and on this basis, the accounts have been prepared on a going concern basis.

Furthermore, the ATD Board is confident in the prospects of the company and its ability to continue to operate. The membership and strong leadership of the ATD Board will continue to steer the business to benefit all residents and further strengthen governance and financial stewardship.

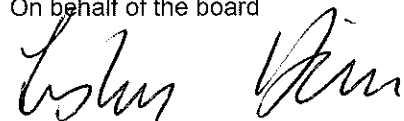
Risk assessment

The executive work closely with the Trustees in identifying major risks facing the Charity and the services it operates that would have an impact on its ability to continue to provide services, maintain its status as a reputable provider of services and remain financially viable. Strategies and control mechanisms are put in place to mitigate or eliminate the risks identified where appropriate, and these are regularly reviewed by the Board of Trustees.

Volunteers

Finally, I would like to thank all our volunteers, staff, and my fellow Trustees/Directors for their help over the year. Our charitable status, the provision of companionship and high standards of support differentiate us from other providers and allow us to clearly position ATD as a unique provider of housing and care for older people in our area.

On behalf of the board



A L Hill (Chair)

Director/Trustee

27 September 2024

ABBNEYFIELD THE DALES LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees of Abbeyfield The Dales Limited, hereafter referred to as ATD, present their report and accounts for the year ended 31 March 2023.

Status

ATD is a company limited by guarantee as defined by the Companies Act 2006 and it is governed by its articles of association. ATD is a registered Social Landlord with solely charitable objectives and it is a registered charity.

Results

The consolidated income and expenditure account for the year is set out on page 15.

Trustees

The Trustees, who are also the directors for the purpose of Company Law, and who served during the year up to the date of signature of the financial statements were:

A L Hill (Chair)
D Smith (Deputy Chariman)
I R Hepworth (Company Secretary)
N Whitham (Resigned 31 August 2024)
M Carter
A Ashby (resigned 27 October 2023)
F J Johnson (Resigned 31 May 2024)
I Price
T P Carroll
R G Rawling
P Myers (Appointed 26 May 2023)
P Myers (Appointed 26 May 2023)
J Connelly (Appointed 26 May 2023)
A Massingham (Appointed 31 May 2024)
A Hunt (Appointed 31 May 2024)

ATD has insurance to indemnify the Board of Trustees against any liability when acting on its behalf.

Auditors

Azets Audit Services (formerly known as Naylor Wintersgill) were appointed auditor to the company in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Objectives of the Society

ATD's objectives are:

- To offer a safe and happy environment for Abbeyfield residents and other users of the facilities.
- To maintain charges to residents at a level that can be afforded by all those wanting sheltered accommodation after allowing for Housing Benefits.
- To make a sufficient financial surplus to enable the housing stock to remain in good repair and to enable investment in new schemes to be funded.

The Trustees are committed to furthering ATD's objects through the provision of high quality, affordable housing and housing management support for the over 55s. In doing so, the Trustees monitor the extent of resources of ATD to ensure that the cost of running and maintaining the facilities and the ability of residents to make payments from their own resources or receive the required public funding is in balance and this is central to their decision making. The Trustees continue to monitor ATD's operations and planning to ensure continued adherence to The Charity Commission's public benefit guidance, including its guidance on fee-charging.

The Trustees will continue to ensure services are available and affordable for individuals whilst not compromising on the quality of the service we provide.

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Abbeyfield Services: A Reflection on 2023 - 2024

There has been strong business performance in the current year as ATD emerges from a number of consecutive and challenging trading years caused by the global Covid-19 pandemic and the cost of living crisis. The business has weathered these macro-economic shocks through close collaboration between the Board of Trustees and the Senior Leadership Team.

Several key decisions and actions have been taken in the last and current financial year to stabilise working capital, give certainty of some key variable costs, and a focus on managing cash balances, income and cost control more effectively. These actions have provided additional resources and stabilised business finances to enable more predictability of the financial performance and look to a future of growth and increasing prosperity. Examples of decisions and action taken are as follows:

- The Board along with the Senior Leadership Team took steps to fix a further tranche of its current loan portfolio to guard against future interest rate increases. There is now in excess of 50% of the existing loan portfolio subject to a fixed interest rate, and this improves the certainty of our cashflows for the immediate years ahead.
- The Board agreed to sell a vacant an unused out-building and parcel of land on a site that generated a significant cash injection and surplus on disposal.
- Abbeyfield Burnley Society chose to transfer their assets and services to Abbeyfield the Dales. This has brought a further injection of cash as well as the continuing trading contribution.

Alongside these key events, the Senior Leadership Team have made progressing in bringing greater financial discipline and cost control to all services, these improvements and changes continue. There has been a focus on reducing cost through the renegotiation of key areas of cost such as energy costs and insurance premiums, and this trend will continue to ensure we receive the same or more at a reduced cost.

The Senior Leadership Team will continue to work to bring greater financial discipline, resilience, and certainty to the financial performance and position of Abbeyfield The Dales. This will ensure there is a strong platform to continue to invest in existing services whilst steadily growing our portfolio of properties and services that we manage.

The Board of Trustees continues to look for business development opportunities so that more residents within our operating heartland can benefit from the quality and person centred approach that Abbeyfield The Dales provides.

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FOR THE YEAR ENDED 31 MARCH 2024

The table below outlines the numbers of available units and the services provided at each of the properties managed by the ATD:

	Independent Living	Supported Housing	Housing With Care	Residential Care
Property Owned				
Fern House, Bingley	-	-	49	30
Grove House, Ilkley	-	-	42	16
The Beeches Menston	-	-	28	-
Kirkview, Shipley	7	-	-	-
Woodview, Saltaire	5	-	-	-
School Street, Pudsey	6	-	-	-
Elbolton, Grassington	-	12	-	-
Abbeyfield Court, Ilkley	13	-	-	-
Abbeyfield Lodge, Ilkley	5	-	-	-
Pawson Cottage Homes, Ilkley	8	-	-	-
Charles Edward Sugden Alms House	7	-	-	-
Harriet Street, Burnley	-	11	-	-
St Stephens Street, Burnley	-	11	-	-
	<u>51</u>	<u>34</u>	<u>119</u>	<u>46</u>
Managed Properties				
Leyland's Lane, Heaton	4	-	-	-
Ing Royde, Halifax	-	-	30	-
Abbeyfield House, Settle	-	12	-	-
Abbeyfield House, Barnoldswick	-	12	-	-
Woodlands, Skipton	-	-	31	-
	<u>4</u>	<u>24</u>	<u>61</u>	<u>0</u>

Our Day Care Centre Services across Fern House and Grove House facilitate 25 and 15 service users respectively each week.

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Organisational and Decision-Making Structure

The ultimate accountability for ATD lies with the Board of Trustees, who are responsible for the oversight and stewardship of ATD in ensuring the decision making of the executive and governance is in the best interests of the residents it serves, meets the core principles of ATD and meets current legislation and best practice.

The Board of Trustees is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and for taking reasonable steps for the detection and prevention of fraud and irregularities.

There are four committees of the board, each with terms of reference approved by the board and they help to support the board in the exercise of due diligence and detailed scrutiny. The committees are as follows:

- Audit and Risk Committee which applies scrutiny to risk management, financial controls, management accounts, operating budgets, the statutory financial statements and oversees the external audit relationship.
- Remuneration Committee which scrutinises and approves the remuneration policy, pay differentials and the annual pay award; including the remuneration package of the Chief Executive and the Senior Leadership Team.
- Quality Governance Committee which oversees arrangements for all aspects of quality governance and provides board assurance concerning the provision of evidence based high quality care and regulatory compliance, supports the board and management team in delivering a culture of continuous improvement and oversees the systems and processes by which this outcome is achieved, including organisational learning in compliance with best practise.
- Business Development Committee which supports the board to enable ATD to realise its growth ambitions by evaluating new opportunities or projects and applying assessment criteria which ensures that only initiatives that are consistent with the Abbeyfield The Dales principles, are financially robust and affordable within the business plan and existing skill sets are recommended to and adopted by board.

Related Parties

The governance and structure of the Abbeyfield Movement (of which ATD is an affiliated member) is being restructured to recognise that Abbeyfield is a Global Movement. Part of this has been through the formation of national bodies. ATD is now part of Abbeyfield England which in turn is governed by a world council.

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Value for Money

Value for Money is about being effective in how we plan, manage and operate Abbeyfield The Dales. It requires providing a high quality service to our residents to enhance their lives, in line with the Abbeyfield guiding principles, by making the best use of resources available to us.

The Regulator of Social Housing (RSH) issued a new Value for Money Standard in April 2017, and a technical note in April 2018. These identified 7 metrics which providers of social housing are expected to report their performance against in their annual report. The latter document acknowledges that the metrics will not necessarily be appropriate for all providers and any influencing factors should be explained in the commentary.

	Metric	Note	2024	2023
1.	Reinvestment %	A	4%	1%
2.	New supply delivered	B		
	- Social housing units		4%	1%
	- Non-social housing units		0%	0%
3.	Gearing %	C	31.78%	29.80%
4.	EBITDA MRI interest cover %	D	95%	158%
5.	Headline social cost per unit	E	£39,415	£35,495
6.	Operating margin %	F		
	- Social housing units		10.73%	4.29%
	- overall		10.73%	4.29%
7.	Return on capital employed	G	3.61%	1.41%

1. Reinvestment % - the investment in properties (existing stock and new supply) as a percentage of the value of total properties held.
2. New supply delivered (social housing units)% - the number of new social housing units delivered as a proportion of total social housing units owned.
3. Gearing % - net debt as a percentage of the value of properties held.
4. EBITDA MRI interest cover % - the level of surplus generated compared to the interest payable.
5. Headline social housing cost per unit - social housing costs (as defined by the regulator) divided by the total units owned and/or managed.
6. i. Operating margin (social housing lettings only) % - operating surplus/(deficit) from social housing lettings divided by turnover from social housing lettings,
ii. Operating margin (overall) % - overall operating surplus/(deficit) divided by overall turnover.
7. Return on capital employed (ROCE)% - compares the overall operating surplus to total assets less current liabilities.

Note

- A There has been investment in most of our properties, where the Regulator of Social Housing has granted permission to use recyclable capital grant funding for a large fire safety works programme to enable better compliance with the updated Regulatory Reform (Fire Safety) Order 2023. In addition, limited progress has been made in a modest development program with some pre-development, survey and planning works being carried out.
- B There has been investment in most of our properties, where the Regulator of Social Housing has granted permission to use recyclable capital grant funding for a large fire safety works programme to enable better compliance with the updated Regulatory Reform (Fire Safety) Order 2023. In addition, limited progress has been made in a modest development program with some pre-development, survey and planning works being carried out.
- C ATD has loan finance and this is being repaid over a 25 year term.
- D Interest cover has reduced as a result of the significant increase in interest rates during the year; the Board of Trustees has fixed the interest rate of circa 50% of the loan to minimise any further impact and to provide some certainty for the next 3 years.
- E The increase in headline social cost per unit is driven by increased costs as a result of the current economic climate. Cost per unit for most residents includes the cost of providing 2 meals each day, which is a condition of tenancy, and is unusual for registered social landlords.

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F & G Operating margin has improved during the year due to a stronger trading performance through better occupancy and a greater focus on cost control, but without compromise to the quality of service provided.

Code of Governance

The Board of Trustees and CE manage the affairs of ATD in accordance with the guidelines of the Charity Commission and are working towards best practice guidelines from the National Housing Federation. The Board also ensure that ATD adheres to all legislation and best practice stipulated by all regulators, namely the Regulator of Social Housing, Care Quality Commission, Health and Safety Executive and Fire Officers.

The Contribution of Volunteers

All Abbeyfield Society affiliated companies remain committed to one of its founding principles of involving volunteers in support of the daily operation of the services delivered to residents. The volunteer ethos remains strong within ATD and the breadth of experience of our volunteers provide a significant and positive contribution to the welfare and companionship of residents and in the running of some activities that benefit residents. The volunteer network remains strong in ATD and the Board of Trustees wish to place on record their appreciation for the efforts and dedication of all its volunteers.

Statement of Trustees' Responsibilities

The Board of Trustees is responsible for preparing the Strategic Report, Trustees' Report and the financial statements in accordance with all applicable law and regulation.

Company law requires the Board of Trustees to prepare financial statements for each financial year. Under that law, the Board of Trustees have elected to prepare financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice, United Kingdom Accounting Standards and applicable law, and have adhered to valuation of its fixed assets and treatment of Social Housing Grant as specified in FRS102 and the Housing SORP 2018. Under Company Law, the Board of Trustees 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 company profit and loss for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the group and enable them to ensure the financial statements comply with Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the group and hence for taking reasonable steps for the prevention and detection of fraud and irregularities.

Statement of the Society's System of Internal Financial Control

The Board of Trustees is responsible for the ATD's system of internal financial control. It recognises that such a system can provide reasonable but not absolute assurance against material misstatement or loss.

The main features of the internal control system are:

- A risk register and actions being taken to mitigate those risks that is reviewed by The Board each quarter to test that all risks are covered and the suitability of actions being taken;
- Standing orders and financial regulations which delineate responsibilities and levels of authorities;
- Annual budgets that are set for each property in the context of a longer-term plan with clear accountability for control of the budget;
- Annual review of risk management;
- Formal recruitment, induction, employment policies and checks;
- The Board's reviews and approval of all updates and amendments to policies and procedures.

ABBNEYFIELD THE DALES LIMITED
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FOR THE YEAR ENDED 31 MARCH 2024

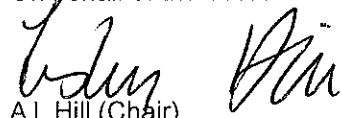
- Monthly management accounts, key performance indicator reporting and explanation to the Executive and The Board of Trustees;
- A planned works programme that will inform the planning of future investment decisions and funding requirements;
- Trustee approval of the parameters under which investment in properties is made.
- The application of additional scrutiny and guidance from the audit and risk committee and the remuneration committee.

The Trustees regularly review the effectiveness of the system of internal financial controls and ensure practices are amended to strengthen financial and operational control where necessary.

Statement of disclosure to auditor

So far as each person who was a Trustee at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as Trustees in order to make themselves aware of all relevant audit information and to establish that the auditor of the Company is aware of that information.

On behalf of the board



A L Hill (Chair)

Director and Trustee

27 September 2024

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ABBNEYFIELD THE DALES LIMITED

Opinion

We have audited the financial statements of Abbeyfield the Dales Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the group profit and loss account, the group balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2024 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

ABBEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF ABBEYFIELD THE DALES LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

**ABBEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF ABBEYFIELD THE DALES LIMITED**

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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



**Alison Whalley (Senior Statutory Auditor)
For and on behalf of Azets Audit Services**

27 September 2024

**Accountants
Statutory Auditor**

Carlton House
Grammar School Street
Bradford
BD1 4NS

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
GROUP PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Turnover	3	8,798,977	7,628,574
Operating costs		(8,262,663)	(7,458,792)
Other operating income		403,025	160,126
Gross surplus	5	939,339	329,908
Interest receivable and similar income	7	8,843	234
Interest payable and similar expenses	6	(550,706)	(363,172)
Profit/(loss) before taxation		397,476	(33,030)
Tax on profit/(loss)	9	-	(990)
Profit/(loss) for the financial year		397,476	(34,020)

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
GROUP AND COMPANY BALANCE SHEETS
AS AT 31 MARCH 2024

	Notes	Group 2024 £	2023 £	Company 2024 £	2023 £
Fixed assets					
Tangible assets	12	26,027,109	25,386,924	25,038,676	24,396,685
Investments	10	53,715	51,111	6	6
		<u>26,080,824</u>	<u>25,438,035</u>	<u>25,038,682</u>	<u>24,396,691</u>
Current assets					
Debtors	14	450,436	328,838	447,025	320,585
Cash at bank and in hand		681,947	403,264	619,770	305,392
		<u>1,132,383</u>	<u>732,102</u>	<u>1,066,795</u>	<u>625,977</u>
Creditors: amounts falling due within one year	15	<u>(1,072,540)</u>	<u>(1,032,778)</u>	<u>(1,074,823)</u>	<u>(1,012,957)</u>
Net current assets/(liabilities)		<u>59,843</u>	<u>(300,676)</u>	<u>(8,028)</u>	<u>(386,980)</u>
Total assets less current liabilities		<u>26,140,667</u>	<u>25,137,359</u>	<u>25,030,654</u>	<u>24,009,711</u>
Creditors: amounts falling due after more than one year	17	<u>(15,172,611)</u>	<u>(14,567,330)</u>	<u>(14,926,072)</u>	<u>(14,315,393)</u>
Net assets		<u>10,968,056</u>	<u>10,570,029</u>	<u>10,104,582</u>	<u>9,694,318</u>
Capital and reserves					
Designated reserves	19	3,857	3,306	-	-
Profit and loss reserves	19	10,964,199	10,566,723	10,104,582	9,694,318
Total equity		<u>10,968,056</u>	<u>10,570,029</u>	<u>10,104,582</u>	<u>9,694,318</u>

As permitted by s408 Companies Act 2006, the Company has not presented its own profit and loss account and related notes. The Company's gain for the year was £415,084 (2023 £56,669 loss).

The financial statements were approved by the board of directors and authorised for issue on 27 September 2024 and are signed on its behalf by:



A L Hill (Chair)
Director

Company Registration No. 09008680

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024

	Designated reserves	Profit and loss reserves	Total
	£	£	£
Balance at 1 April 2022	2,755	10,601,294	10,604,049
Year ended 31 March 2023:			
Loss and total comprehensive income	-	(34,020)	(34,020)
Transfers	551	(551)	-
Balance at 31 March 2023	3,306	10,566,723	10,570,029
Year ended 31 March 2024:			
Profit and total comprehensive income		397,476	397,476
Transfers	551	(551)	-
Balance at 31 March 2024	3,857	10,964,199	10,968,056

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024

	Profit and loss reserves £
Balance at 1 April 2022	9,750,987
Year ended 31 March 2023:	
Loss and total comprehensive income for the year	(56,669)
Balance at 31 March 2023	9,694,318
Year ended 31 March 2024:	
Profit and total comprehensive income for the year	410,264
Balance at 31 March 2024	10,104,582

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	21	1,895,004		711,170	
Interest paid		(550,706)		(363,172)	
Income taxes paid		(990)		(462)	
Net cash inflow from operating activities		1,343,308		347,536	
Investing activities					
Purchase of tangible fixed assets		(1,143,390)		(190,433)	
Proceeds from disposal of tangible fixed assets		244,721		-	
Proceeds from disposal of investments		(2,604)		40,516	
Interest received		5,593		168	
Dividends received		647		581	
Other income received from investments		2,603		(515)	
Net cash used in investing activities		(892,430)		(149,683)	
Financing activities					
Repayment of bank loans		(172,195)		(233,976)	
Net cash used in financing activities		(172,195)		(233,976)	
Net increase/(decrease) in cash and cash equivalents		278,683		(36,123)	
Cash and cash equivalents at beginning of year		403,264		439,387	
Cash and cash equivalents at end of year		681,947		403,264	

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	22	1,896,851		671,692	
Interest paid		(538,357)		(354,566)	
Net cash inflow from operating activities		<u>1,358,494</u>		<u>317,126</u>	
Investing activities					
Purchase of tangible fixed assets		(1,124,647)		(145,433)	
Proceeds from disposal of tangible fixed assets		244,721		-	
Interest received		5,390		142	
Net cash used in investing activities		<u>(874,536)</u>		<u>(145,291)</u>	
Financing activities					
Repayment of bank loans		(169,580)		(230,391)	
Net cash used in financing activities		<u>(169,580)</u>		<u>(230,391)</u>	
Net increase/(decrease) in cash and cash equivalents		<u>314,378</u>		<u>(58,556)</u>	
Cash and cash equivalents at beginning of year		305,392		363,948	
Cash and cash equivalents at end of year		<u><u>619,770</u></u>		<u><u>305,392</u></u>	

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Company information

Abbeyfield the Dales Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Grove House, 12 Riddings Road, Ilkley, LS29 9BF.

The group consists of Abbeyfield the Dales Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The consolidated group financial statements consist of the financial statements of the parent company Abbeyfield the Dales Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2024. 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.

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.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Building structure	1% on cost
Roofs	2% on cost
Windows and doors	2% on cost
Kitchens and bathrooms	3.33% on cost
Lifts	6.67% on cost
Fixtures, fittings and equipment	20% on cost
Computers	33.33% on cost
Motor vehicles	20% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.5 Fixed asset investments

Equity investments are measured at fair value, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.6 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the profit or loss accounts, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.8 Financial instruments (continued)

Other financial assets

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

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

1.12 Reserves

Revenue reserve

The revenue is an accumulation of all surplus and deficits arising from the company's ordinary operations including any donations and legacies received free of any restrictions. These funds are freely available for use by the company.

Designated reserves

Designated reserves relate to funds set aside by the Trustees for specific purposes.

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

2 Judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

	2024	2023
	£	£
Turnover analysed by class of business		
Social housing rentals	5,146,870	4,313,730
Residential care fees	2,124,233	1,963,495
Domicillary care income	1,225,529	1,164,452
Day centre charges	110,667	68,548
Ground rents and maintenance	7,521	8,208
Other activities and sundry income	171,744	93,710
Recharge of costs and services	12,413	16,431
	<u>8,798,977</u>	<u>7,628,574</u>
	2024	2023
	£	£
Turnover analysed by geographical market		
United Kingdom	<u>8,798,977</u>	<u>7,628,574</u>
	2024	2023
	£	£
Other revenue		
Donations received	7,505	6,792
Grants received	136,575	151,652
Insurance income	-	1,682
Donation of Burnley Society	258,945	-
	<u>403,025</u>	<u>160,126</u>

ABBNEYFIELD THE DALES LIMITED
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FOR THE YEAR ENDED 31 MARCH 2024

4 Employees

The average monthly number of persons employed by the group and company during the year was:

	Group 2024 Number	2023 Number	Company 2024 Number	2023 Number
Operational	250	227	250	227
Governance and support	19	17	19	17
Total	269	244	269	244

Their aggregate remuneration comprised:

	Group 2024 £	2023 £	Company 2024 £	2023 £
Wages and salaries	5,607,567	5,050,575	5,607,567	5,050,575

5 Gross surplus

	2024 £	2023 £
Operating profit for the year is stated after charging/(crediting):		
Government grants	(136,174)	(151,652)
Depreciation of owned tangible fixed assets	416,143	397,517
Profit on disposal of tangible fixed assets	(160,026)	-
	119,943	245,865

The profit on disposal relates to the sale of Ebolton.

6 Interest payable and similar expenses

	2024 £	2023 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	550,706	363,172

ABBNEYFIELD THE DALES LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

7 Interest receivable and similar income

	2024	2023
	£	£
Interest income		
Interest on bank deposits	5,593	168
Other income from investments		
Dividends received	647	581
Gains on financial instruments measured at fair value through profit or loss	2,603	(515)
	<u>8,843</u>	<u>234</u>

8 Auditor's remuneration

	2024	2023
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	20,400	18,600
Audit of the financial statements of the company's subsidiaries	8,880	7,800
	<u>29,280</u>	<u>26,400</u>

9 Taxation

	2024	2023
	£	£
Current tax		
UK corporation tax on profits for the current period	-	990
	<u>-</u>	<u>990</u>

The actual charge for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2024	2023
	£	£
Profit/(loss) before taxation	397,476	(33,030)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2023: 19.00%)	75,520	(6,276)
Tax effect of expenses that are not deductible in determining taxable profit	-	7,266
Unutilised tax losses carried forward	1,639	-
Tax effect of income not taxable in determining taxable profit	(77,159)	-
	<u>-</u>	<u>990</u>
Taxation charge	<u>-</u>	<u>990</u>

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10 Fixed asset investments

	Notes	Group 2024 £	2023 £	Company 2024 £	2023 £
Investments in subsidiaries	11	-	-	6	6
Unlisted investments		53,715	51,111	-	-
		<u>53,715</u>	<u>51,111</u>	<u>6</u>	<u>6</u>

Movements in fixed asset investments

Group	Investments £
Cost or valuation	
At 1 April 2023	51,111
Valuation changes	2,604
At 31 March 2024	<u>53,715</u>
Carrying amount	
At 31 March 2024	<u>53,715</u>
At 31 March 2023	<u>51,111</u>

Movements in fixed asset investments

Company	Shares in subsidiaries £
Cost or valuation	
At 1 April 2023 and 31 March 2024	6
Carrying amount	
At 31 March 2024	<u>6</u>
At 31 March 2023	<u>6</u>

11 Subsidiaries

Details of the company's subsidiaries at 31 March 2024 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Abbeyfield Court Limited	England	Ordinary	100.00
Abbeyfield Lodge (Ilkley) Limited	England	Ordinary	100.00
Pawson Cottages Homes	England	Trustee	100.00
Charles Edward Sugden's Almshouses	England	Trustee	100.00

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12 Tangible fixed assets

Group	Building structure	Roofs	Lifts	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2023	25,738,410	1,541,921	485,502	1,157,792	12,335	28,935,960
Additions	785,098	71,067	10,732	276,491	-	1,143,388
Disposals	(82,288)	(4,773)	-	-	-	(87,061)
At 31 March 2024	26,441,220	1,608,215	496,234	1,434,283	12,335	29,992,287
Depreciation and impairment						
At 1 April 2023	2,265,110	190,413	188,092	900,487	4,934	3,549,036
Depreciation charged in the year	281,641	32,136	32,592	67,310	2,464	416,143
At 31 March 2024	2,546,751	222,549	220,684	967,797	7,398	3,965,179
Carrying amount						
At 31 March 2024	23,894,469	1,385,666	275,550	466,486	4,937	26,027,108
At 31 March 2023	23,473,300	1,351,508	297,410	257,305	7,401	25,386,924
Company						
	£	£	£	£	£	£
Cost						
At 1 April 2023	24,743,448	1,541,921	485,502	1,035,608	12,335	27,818,814
Additions	785,098	71,067	10,732	257,748	-	1,124,645
Disposals	(82,288)	(4,773)	-	-	-	(87,061)
At 31 March 2024	25,446,258	1,608,215	496,234	1,293,356	12,335	28,856,398
Depreciation and impairment						
At 1 April 2023	2,161,574	190,413	188,092	877,116	1,934	3,419,129
Depreciation charged in the year	267,938	32,136	32,592	60,460	2,467	395,593
At 31 March 2024	2,429,512	222,549	220,684	937,576	4,401	3,814,722
Carrying amount						
At 31 March 2024	23,016,746	1,385,666	275,550	355,780	7,934	25,041,676
At 31 March 2023	22,581,874	1,351,508	297,410	158,492	10,401	24,399,685

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FOR THE YEAR ENDED 31 MARCH 2024

13 Financial instruments

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	251,858	141,958	142,140	150,826
Instruments measured at fair value through profit or loss	53,715	51,111	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carrying amount of financial liabilities				
Measured at amortised cost	8,488,806	8,613,687	8,465,139	8,623,491
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

14 Debtors

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	248,258	112,814	245,215	112,374
Other debtors	3,600	29,144	12,916	29,766
Prepayments and accrued income	198,578	186,880	188,894	178,445
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	450,436	328,838	447,025	320,585
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

15 Creditors: amounts falling due within one year

		Group		Company	
		2024	2023	2024	2023
	Notes	£	£	£	£
Bank loans	18	107,011	128,364	104,396	125,716
Trade creditors		454,785	392,464	447,043	383,153
Amounts owed to connected company		125,000	-	150,706	10,180
Corporation tax payable		-	990	-	-
Other taxation and social security		76,061	63,810	76,061	63,810
Government grants	16	118,946	116,406	116,130	109,640
Other creditors		48,097	210,792	48,097	210,792
Accruals and deferred income		142,640	119,952	132,390	109,666
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		1,072,540	1,032,778	1,074,823	1,012,957
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

16 Deferred grants

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Arising from government grants	7,680,284	6,921,621	7,564,830	6,799,401
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

ABBNEYFIELD THE DALES LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

16 Deferred grants

(Continued)

Deferred income is included in the financial statements as follows:

Current liabilities	118,946	116,406	116,130	109,640
Non-current liabilities	7,561,338	6,805,215	7,448,700	6,689,761
	<u>7,680,284</u>	<u>6,921,621</u>	<u>7,564,830</u>	<u>6,799,401</u>

17 Creditors: amounts falling due after more than one year

		Group		Company	
		2024	2023	2024	2023
	Notes	£	£	£	£
Bank loans and overdrafts	18	7,611,273	7,762,115	7,477,372	7,625,632
Government grants	16	7,561,338	6,805,215	7,448,700	6,689,761
		<u>15,172,611</u>	<u>14,567,330</u>	<u>14,926,072</u>	<u>14,315,393</u>

18 Loans and overdrafts

		Group		Company	
		2024	2023	2024	2023
		£	£	£	£
Bank loans		<u>7,718,284</u>	<u>7,890,479</u>	<u>7,581,768</u>	<u>7,751,348</u>
Payable within one year		107,011	128,364	104,396	125,716
Payable after one year		<u>7,611,273</u>	<u>7,762,115</u>	<u>7,477,372</u>	<u>7,625,632</u>

£4 million of the long-term loans are secured by fixed charges over the Freehold property in the group.

During the year year ended 31 March 2020 the Company obtained two new financial loans. Both loans are over 25 years and the interest rate is 2.2% above base rate. During the year ended 31 March 2024 the Company transferred £4m onto fixed rate agreements for five years with fixed rates of 6.68% (£2m) and 6.77% (£2m). The remainder of the borrowings remain on 2.2% above base rate.

19 Reserves

Designated reserves

Designated reserves relates to funds set aside for future repairs and decorating costs at Abbeyfield Lodge.

ABBEYFIELD THE DALES LIMITED
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20 Events after the reporting date

The Trustees of Abbeyfield The Dales took over the Trusteeship of Sir Frances Crossley Almshouses (SFCA) on the 1st April 2024. The retiring Trustees who had led and managed the almshouses for many years wished to transfer the control and running of them to an organisation with a proven track record primarily because the amount of regulation and complexity in running the almshouses had increased greatly and this added pressure to the small group of volunteer Trustees.

The almshouses consist of 21 dwellings in a suburb of Halifax, close to the town centre, and gives Abbeyfield a greater presence in the local community being a short distance from one of our existing properties. The SFCA are the 3rd in Abbeyfield's portfolio, and strengthens our knowledge and understanding of this form of social housing.

The almshouses currently have a 31st December year end, and this will be aligned to Abbeyfield's standard year end during the coming financial year.

On the 13th August 2024, the Abbeyfield Living Society (formerly The Abbeyfield Society) gave notice they are taking back the running of services in 5 properties they own, and that Abbeyfield The Dales has managed since 2016. This transfer will take effect on 1st April 2025.

The Board of Trustees have always sought to secure the purchase of, or a longer-term agreement to manage these 5 properties in its longer-term plans. The strategic plan will evolve, and a change of direction has already been outlined in preliminary discussions.

There will be a period of readjustment to enable Abbeyfield The Dales to focus on their 14 remaining properties (which they own) and look to the future with certainty and confidence in a growing and thriving organisation. There is a focus to make sure the financial viability of Abbeyfield the Dales will remain strong following this transfer, and our operating structures will be adjusted accordingly. The Board of Trustees and Chief Executive are completely focused on an orderly transition, to maintain a sustainable business (post transfer), and form the basis for future growth and prosperity.

21 Cash generated from group operations

	2024	2023
	£	£
Profit/(loss) for the year after tax	397,476	(34,020)
Adjustments for:		
Taxation charged	-	990
Finance costs	550,706	363,172
Investment income	(8,843)	(234)
Gain on disposal of tangible fixed assets	(160,026)	-
Depreciation and impairment of tangible fixed assets	418,511	397,520
Movements in working capital:		
(Increase)/decrease in debtors	(121,051)	32,479
Increase in creditors	59,565	59,769
Increase/(decrease) in deferred income	758,663	(108,506)
Cash generated from operations	<u>1,895,001</u>	<u>711,170</u>

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FOR THE YEAR ENDED 31 MARCH 2024

22 Cash generated from operations - company

	2024	2023
	£	£
Profit/(loss) for the year after tax	410,264	(56,670)
Adjustments for:		
Finance costs	538,357	354,566
Investment income	(5,390)	(142)
Gain on disposal of tangible fixed assets	(160,026)	-
Depreciation and impairment of tangible fixed assets	397,961	378,702
Movements in working capital:		
(Increase)/decrease in debtors	(126,440)	38,454
Increase in creditors	76,696	66,422
Increase/(decrease) in deferred income	765,429	(109,640)
Cash generated from operations	<u><u>1,896,851</u></u>	<u><u>671,692</u></u>