ABBEYFIELD WEY VALLEY SOCIETY LIMITED

England & Wales · Charity number 1168173

Details

Other names	ABBEYFIELD WEY VALLEY COMPANY LIMITED, AWVCO
Status	Registered
Legal form	Charitable company
Company number	10259078
Registered	2016-07-12
Register	View on the Charity Commission register

Contact

Address	Abbeyfield Wey Valley Society Ltd Wey Valley House Mike Hawthorn Drive Farnham Surrey GU9 7UQ
Phone	01252735507
Email	admin@abbeyfieldweyvalley.co.uk
Website	www.abbeyfieldweyvalley.co.uk

Activities

Objects: THE COMPANY IS ESTABLISHED FOR THE PUBLIC BENEFIT FOR THE FOLLOWING PURPOSE:THE RELIEF AND CARE OF ELDERLY PERSONS OF ALL CLASSES, BELIEFS AND NATIONALITIES SUFFERING FROM THE DISABILITIES OF OLD AGE OR OTHERWISE IN NEED BY THE PROVISION AND MANAGEMENT OF HOUSING, INCLUDING SOCIAL HOUSING, ACCOMMODATION OR ASSISTANCE FOR SUCH PERSONS.

Activities: THE SOCIETY HAS 3 RESIDENTIAL CARE HOMES FOR OLDER PEOPLE IN FARNHAM, SURREY, 1 OF WHICH HAS A NURSING WING. IN ADDITION, IT HAS A RESIDENTIAL CARE HOME IN EACH OF READING, OXTED & DORKING. IT ALSO OPERATES A SHELTERED HOME IN GUILDFORD, SURREY. FINALLY, THE SOCIETY OPERATES A HOME CARE SERVICE FROM FARNHAM TO HELP OLDER PEOPLE IN THE COMMUNITY.

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Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** The Advancement Of Health Or Saving Of Lives, Accommodation/housing
- **Who:** Elderly/old People

Geography

- Hampshire
- Reading
- Surrey

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£12,172,022	£12,085,946	£24,790,131	336
2024-06-30	£11,768,091	£11,191,184	£23,571,717	333
2023-06-30	£17,924,551	£9,161,653	£22,994,810	267
2022-06-30	£7,039,104	£5,832,389	£13,877,428	182
2021-06-30	£4,644,246	£4,808,454	£12,831,638	165

Trustees

Name	Role	Appointed
BRIAN THOMAS	Chair	2016-06-12
Desmond Hutchinson		2016-12-14
Dr Mary Small		2026-05-27
Elaine Alison Edgar		2022-09-01
GILLIAN DOREEN WARD		2016-06-12
Gary Parker		2026-02-25
Paul Richard Gresham		2023-05-24
Sarah Jane Cox		2025-05-28
TIM SHEPHERD		2016-06-12

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ABBEYFIELD WEY VALLEY SOCIETY LIMITED

England & Wales - Charity number 1168173

Accounts

Company number: 10259078
Charity number: 1168173

Abbeyfield Wey Valley Society Limited

Financial Statements

For The Year Ended 30th June 2025

Abbeyfield Wey Valley Society Limited

Financial Statements

For The Year Ended 30th June 2025

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Abbeyfield Wey Valley Society Limited

Legal and Administrative Information

Charity number	1168173
Company number	10259078
Registered Provider number	H3294
Principal and registered office	Wey Valley House Mike Hawthorn Drive Farnham Surrey GU9 7UQ
Auditors	Knox Cropper LLP Office Suite 1, Haslemere House Lower Street Haslemere Surrey GU27 2PE
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP
Investment Management	Barclays Wealth and Investment Management Barclays Bank Plc 1 Churchill Place London E14 5HP

Abbeyfield Wey Valley Society Limited

Report of the Board of Trustees

For The Year Ended 30th June 2025

Chairman: Mr Brian Thomas

Vice Chairman: Mrs G Ward

Secretary: Mr D Hutchinson

Other members of the Board of Trustees:

Mr P Duffy - retired 27/08/2025
Mr T Shepherd
Ms E Edgar
Mr P Gresham - Treasurer from 14/08/2024
Mr F P Whitlock
Mr N Grealy - resigned 06/01/2025
Mr A Dick - resigned 12/06/2025
Ms S Cox - appointed 28/05/2025
Mr P Davies - appointed 07/11/2024 & resigned 18/06/2025
Ms S Ferguson - appointed 26/08/2024 & resigned 05/11/2024

Senior Management

The Senior Management team in place at the date of the signing of these accounts were:

Ms S Tidy	Chief Executive Officer
Mr J Wigmore	Chief Finance Officer
Ms S Hartley	Chief Operating Officer
Ms L Arnold	Operations Manager
Mr I Looms	Marketing & PR Manager

The Board of Trustees of the Society (and Directors of the Company) present their Report and audited Financial Statements for the year ended 30th June 2025.

Status

The Society is registered as a Charitable Company – Abbeyfield Wey Valley Society Limited (Charitable Number: 1168173 and Company Number: 10259078) and is governed by its Articles of Association. The Society is registered with the Regulator of Social Housing (Homes England) (No. H3294) and six of the Society's homes; Wey Valley House, Hatch Mill, Maitland House, Nower House, David Gresham House and Ridgway Court, together with the CEO, are registered with the Care Quality Commission under the Care Standards Act 2000, as revised and modified by subsequent legislation.

Purpose & principal activity

The principal activity of the Society is to provide accommodation for the relief and care of elderly persons suffering from disabilities of old age or otherwise being in need. To this end, the principal activities of the company are the operation of residential care, nursing care, sheltered housing, and domiciliary care services.

Public Benefit

The primary public benefit offered by the Society is the relief of loneliness for the elderly, but more specifically, the benefits provided by the Society include:

- Providing residential accommodation to elderly people who are unable to look after themselves.
- Caring for elderly people who are frail and need long term nursing care.
- Providing sheltered housing to elderly people unable to live on their own.
- Providing domiciliary care to the community.

The Trustees confirm that they have had regard for the Charity Commission's guidance on public benefit.

Abbeyfield Wey Valley Society Limited

Report of the Board of Trustees

For The Year Ended 30th June 2025

Strategic Report:

Objectives of the Society

The long-term objectives of the Society are set by its objects, as per 3.1 of the Articles of Association. The Society is established for the relief and care of an increasing number of elderly persons of all classes, beliefs and nationalities suffering from the disabilities of old age or otherwise in need by the provision and management of housing including social housing, accommodation or assistance for such persons on a not-for-profit basis. The short-term objective is to ensure that the company is viable and to ensure that it can continue to meet its long-term objective.

Measurement of success against aims and objectives

The Trustees have referred to the guidance in the Charity Commission general guidance on public benefit when reviewing the aims and objectives of the Society and in planning its activities and in measuring its success against those aims and objectives. The objects will be principally attained by the provision of nursing care, personal care, meals and accommodation in the care homes that are run by the Society. The Society measures its success against its long-term objectives by the level, quality, range of care provided, and consistently high occupancy levels. Short-term success is measured by achievement of a sustainable net surplus.

As well as its financial position the Society is continually monitoring its performance by the use of questionnaires completed by both sponsors/families and residents.

Value for money

Through the Trustee structure of the Society, it is able to maintain its fees at a level below that of other providers offering similar levels of care/services in its geographical locality. The Board is therefore very confident that its service users are being offered value for money. The Society's principal funding source is fees paid by our service users, and fees paid on behalf of our service users by County Councils and Care Commissioning Groups. The Society also has a number of volunteers who provide companionship to the Care Home residents on an ad-hoc basis.

Value for Money metrics

In response to the Value for Money Standard issued by the Regulator of Social Housing, the Society reports the required seven Value for Money metrics. The Society has chosen to publish comparatives from The Abbeyfield Society (TAS) – Housing Association Number H1046.

Metric 1 – Reinvestment %

This metric looks at the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held.

The only major capital expenditure during the year was approximately £126,000 spent on professional fees on the proposed Wey Valley House Extension.

Metrics 2 – New supply delivered %

The Society did not deliver any new supply.

Metrics 3 – Gearing %

The Society's sheltered social housing is all freehold and is owned outright. The Society has one long term loan against one of its care homes, Wey Valley House.

Metrics 4 – Earnings before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %

The only interest paid by the Society relates to the loan identified in Metric 3.

Metric 5 – Headline social housing cost per unit

Metric 6 – Operating Margin %

Metric 7 – Return on capital employed (ROCE) %

This metric compares the operating surplus to total assets less current liabilities.

	Year ended 30/06/2025	Year ended 30/06/2024	Comparator
Metric 1	**1.04%**	3.9%	3.1%
Metric 2	**0.0%**	0.0%	0.0%
Metric 3	**(39.9)%**	(31.0)%	(26.8)%
Metric 4	**14,686.0%**	15,513.0%	3,041%
Metric 5	**£56,260**	£51,336	£37,231
Metric 6			
Overall	**7.69%**	1.29%	5.8%
Housing	**7.91%**	1.50%	(18.71)%
Metric 7	**3.60%**	0.61%	2.1%

Results for the year

The Financial Statements have been prepared in accordance with the Housing & Regeneration Act 2008 and The Accounting Direction for Private Registered Providers of Social Housing 2022 and the Charities SORP.

The care and management activities of the Society during the year show an operating deficit of £215,581 (2024: £131,392 surplus) on a turnover of £11,867,185 (2024: £11,319,264). After adjusting for net investment returns, and investment and property revaluations, the resulting Net Movement in Funds as identified on the SOFA are a gain of £1,218,120 (2024: gain of £576,907).

Within this result, the Home Care business generated a turnover of £179,692 (2024: £170,031).

Donations received in the year amounted to £11,510 (2024: £54,922) The excess of interest receivable over that payable amounted to £213,530 (2024: net interest receivable of £181,100).

The COVID – 19 pandemic is now firmly behind us. However, on the back of the pandemic, Nower House continues to struggle to reach acceptable occupancy rates. The Society has instigated a more in-depth marketing effort in order to reduce the number of voids. Significant expenditure has been made and will continue to be made to ensure the home is more appealing not only to the current residents but to potential residents as well.

The deficit for the year for the year was predominantly caused by a number of factors; being the voids at Nower House & David Gresham House together with high levels of agency staff. The last factor was the size of the increase in the Real Living Wage Foundation's recommended pay, which was rather more than what the Society had budgeted for. The Society aims to match the Real Living Wage Foundation's pay rates. Management is actively working to reduce both voids and agency costs.

Fixed Assets
Additions and disposals of fixed assets together with movements in the associated depreciation provisions are set out in Note 11. The Board is satisfied that the value of its housing stock is at least worth the net book value of the underlying fixed assets. The net book value of the Society's land and building assets at the 30th June 2025 was £15.8 million. Associated with these assets are historic Social Housing Grants which are identified in Note 18 and amount to £3.29 million as well as £1.49 million not recognised which relate to historic grants on properties transferred to the Society.
Kemnal House, the Society's former 7 bed sheltered house in Haslemere, was sold in April 2025.

Investments
The Society continues to hold investments managed by Barclays Private Banking in one of their Charity Unit trusts. Details of movements within the investment can be found in Note 12. The stock markets, particularly in the USA, have performed well in the 24/25 financial year.

Equality and Diversity policy
The Society has a robust Equality and Diversity Policy which promotes awareness and defines appropriate training to enable staff to recognise and avoid discrimination, harassment, victimisation and promote equal opportunities.

Job applicants will not be asked about health or disability before a job offer is made, except in the very limited circumstances allowed by law, for example, to check that the applicant can perform intrinsic parts of the role they are applying for, (E.g. heavy lifting - taking account of any reasonable adjustments), or to see if any reasonable adjustments can be made prior to employment.

The Society is responsive to the needs of its employees and as such will always actively seek to make reasonable workplace adjustments should any employee of the Society become disabled during employment.

The Society appreciates that members of staff may be neurodivergent and will endeavour to ensure that neurodivergent employees are not treated unfairly or suffer any detriment due to their neurodivergence.

Mandatory training on Equality and Diversity is undertaken by all staff annually.

Reserves Policy
The Charity Commission expects that all charities have plans to spend the money that they receive for charitable purposes. However, they also expect charities to hold reserves to meet specific longer-term charitable purposes, and also to mitigate the risks inherent in their businesses. The Trustees believe that the Society requires adequate reserves:

1. To address the possibility of a rapid downturn in occupancy level which would adversely affect our income generation. Thus, a reserve would be needed to allow for a restructuring of the Society.
2. To enable an orderly liquidation in the most unlikely event of the Society needing to cease operation.
3. To ensure its existing operations remain fit for purpose, and to ensure the financial flexibility to develop new services in existing and potentially new locations.
4. The Society, in line with its charitable objectives, intends to ensure that its services are available to those in need.

The Balance Sheet shown in these financial statements, and also shown in Note 28, shows the Society to have total funds of £24,789,837 at 30th June 2025. Of this balance, £3,367,165 is held in restricted funds as identified in Note 21 to the accounts.

A 'Prudential Reserve' is held at £1,000,000 to cover items 1 & 2.
A 'Designated Reserve' is held at £8,539,803 to cover item 3.

Finally, in order to adequately perform its charitable purposes, identified in 4 above, the Society holds a 'Revenue Reserve' at the 30th June 2025 of £11,882,869. These reserves, together with those reserves gained from historical mergers are held within the Fixed Assets of the Society together with those net current assets not already allocated to the 'Prudential Reserve' and the 'Designated Reserve'.

The Trustees review Reserve balances annually to ensure they are adequate, and that they are held in appropriate asset types.

Future Plans

The Society will continue to use its cash resources and operational expertise to make improvements to Nower House, with the aim to increase its occupancy to the level of the Society's other homes.

The Society also plans a significant extension to Wey Valley House, to increase the number of rooms, to ensure it remains competitive in today's market and 'fit for the future'. The extension will provide new rooms with en-suite walk-in showers, an upgraded lift, new seating areas and a new hairdressing salon. The Society is hopeful that the builders will commence their work in Spring 2026.

Organisation Structure

The members of the Board of Trustees have overall responsibility for ensuring that the Society has appropriate systems of control, care, financial and otherwise. The systems of financial control are designed to provide reasonable, but not absolute, assurance against any material financial misstatement, especially of loss. They include an annual budget, approved by the Board of Trustees, regular review of actual results and variances from budget, and delegation of authority and segregation of duties as far as possible given staffing levels. The Board meets four times a year.

The Society operates two separate sub-committees corresponding to the core areas of the Society's business; namely Care and Finance. Each is headed by a trustee and reports directly to the Board of Trustees. These sub-committees meet at least four times a year.

The Chair of each sub-committee and the Board Chair form the Remuneration Committee which (usually) meets once a year to agree pay increases for the annual staff pay rise. No Trustees are paid for their services although expenses incurred in the course of their duties are encouraged to be claimed.

The Society has a very strong and effective Board of Trustees. We maintain a matrix of people against needed skills and experience. The Trustees are thus able to consider all issues coming before them in a proper manner, but consultants are used where particular specialist advice is required.

Trustees are usually recommended to us or come forward as volunteers, though it is becoming increasingly difficult to find suitable individuals who are prepared to take on the responsibility involved. We would welcome trustees of any gender, sexual orientation, or ethnic background but sadly at the present time we have no-one from one of the minority communities. This is probably due to the demographic makeup of the local area.

All new trustees are interviewed by the Chairman, Vice-Chairman and Chief Executive prior to appointment. They then have an induction programme of at least a day. The aforementioned three people monitor the performance of the Board on a continuous basis and equally the trustees are encouraged to provide feedback to the Chairman and Vice Chairman on their performance.

Risk management

The Board of Trustees formally monitors risks annually and sets up policies to mitigate them.

The members of the Board of Trustees are committed to ensuring that the Society's system of internal controls is adequate and effective. A number of steps have been taken to enhance further the existing systems of internal control. These include:

a) A progressive revision and upgrade of risk management arrangements; and
b) A review of the Operational Risk Assessment programme to incorporate both qualitative and compliance review of all of the Society's activities.

The Society maintains an Assets & Liabilities register and periodically reviews the financial strengths and weaknesses of the Society. These have given further confidence to the Trustees that the Society is in a strong position to continue its service and meet its public benefit for the foreseeable future.

Health and safety

The Society is aware of its responsibilities on matters relating to health and safety. The Society has prepared detailed health and safety policies and provides regular training and education on health and safety matters.

Statement of the Board of Trustees Responsibilities

The Charities Act 2011 and Companies Act 2006 and Registered Social Housing legislation requires the Board to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Society as at the end of that financial period and of the surplus or deficit of the Society for the period ended on that date. In preparing these financial statements suitable accounting policies have been used, framed to the best of the Board's knowledge and belief, by reference to reasonable and prudent judgments and estimates and applied consistently. Applicable UK accounting standards and statements of recommended practice have been followed. The Board is also required to indicate where the financial statements are prepared other than on the basis that the Society is a going concern.

The Board of Trustees is responsible for ensuring the keeping of proper books of account which disclose with reasonable accuracy at any time the financial position of the Society and which enable them to ensure that the accounts comply with the Charities Act 2011, the Companies Act 2006, the Housing & Regeneration Act 2008 and The Accounting Direction for Private Registered Providers of Social Housing 2022. They are responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to Auditors

So far as each Member of the Board is aware at the time the report is approved:

- There is no relevant audit information of which the company's auditors are unaware, and
- The Board members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Signed on behalf of the Board



Mr Brian Thomas: Chairman

Dated: 3 December 2025

Independent Auditors' Report to the Members

of Abbeyfield Wey Valley Society Limited

Opinion

We have audited the financial statements of Abbeyfield Wey Valley Society Limited (the 'Society') for the year ended 30th June 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Society's affairs as at 30th June 2025 and of its income and expenditure, including its result, 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, 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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the Society 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 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Society and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page seven, the trustees (who are also the directors of the Society for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Society which have a direct impact on the financial statements and determined that the most significant are the

Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Companies Act 2006 and Standards issued by the Regulator of Social Housing.

- We understood how the Society is complying with those frameworks via communication with those charged with governance, together with the review of the Society's documented policies and procedures.
- We assessed the susceptibility of the Society's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. These included risks associated with revenue recognition and management override of controls, which were discussed and agreed by the audit team.
- Our approach included agreeing the Society's recognition of income to the terms of the underlying contract, the review of journal entries processed in the accounting records and the investigation of significant and unusual transactions identified from our review of the accounting records.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the Society.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the Society's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Elkins

Matthew Elkins FCA (Senior Statutory Auditor)
Knox Cropper LLP
Chartered Accountants and Statutory Auditors
Office Suite 1, Haslemere House
Lower Street
Haslemere
Surrey GU27 2PE

Dated: 10 December 2025

Abbeyfield Wey Valley Society Limited

Statement of Financial Activities (Incorporating the Income and Expenditure Account)

For The Year Ended 30th June 2025

	Notes	2025 Unrestricted funds £'000	2025 Restricted funds £'000	2025 Total funds £'000	2024 Unrestricted funds £'000	2024 Restricted funds £'000	2024 Total funds £'000
Income from							
Donations and grants	3	11	-	11	55	-	55
Charitable Activities	4	11,853	-	11,853	11,261	-	11,261
Investments	5	305	-	305	274	-	274
Other Trading Activities	6	3	-	3	3	-	3
		12,172	-	12,172	11,593	-	11,593
Expenditure on							
Raising Funds	9	11	-	11	17	-	17
Charitable Activities	7	11,860	215	12,075	10,954	220	11,174
		11,871	215	12,086	10,971	220	11,191
Gains on revaluation of investments		12	-	12	175	-	175
Gain on sale of property		1,240	(120)	1,120	-	-	-
Net income/(expenditure)		1,553	(335)	1,218	797	(220)	577
Transfers between funds		26	(26)	-	100	(100)	-
Net movement in funds		1,579	(361)	1,218	897	(320)	577
Funds brought forward 1st July 2024		19,844	3,728	23,572	18,947	4,048	22,995
Funds carried forward 30th June 2025		21,423	3,367	24,790	19,844	3,728	23,572

Abbeyfield Wey Valley Society Limited

Balance Sheet

At 30th June 2025

	Notes	2025 £'000	2024 £'000
Tangible Fixed Assets			
Housing Properties at Depreciated Cost	11	15,824	16,090
Vehicles	11	18	12
Fixtures, fittings and equipment	11	627	406
Investments	12	2,921	2,829
		19,390	19,337
Current Assets			
Stocks	13	8	8
Trade and Other Debtors	14	477	408
Cash and Cash Equivalents	15	6,351	5,017
		6,836	5,433
Current Liabilities			
Creditors: amounts falling due within one year	16	898	839
Net Current Assets		5,938	4,594
Total Assets less Current Liabilities		25,328	23,931
Long Term Liabilities			
Creditors: amounts falling due after one year	17	538	359
Total Net Assets		£24,790	£23,572
Funds			
Unrestricted Funds	20	21,423	19,844
Restricted Funds	21	3,367	3,728
Total Funds		£24,790	£23,572

The Financial Statements were approved at the Board of Trustees meeting on ...3.....December 2025, and signed on its behalf by:

.....
Mr B Thomas – Chairman

.....
Mr P Gresham - Treasurer

Abbeyfield Wey Valley Society Limited

Statement of Cash Flows

For The Year Ended 30th June 2025

	Notes	2025 £'000	2024 £'000
Net Cash Generated From Operating Activities	A	212	608
Cash Flows From Investing Activities			
Purchase of property components		(165)	(623)
Purchase of other fixed assets		(383)	(253)
Purchase of fixed asset investments		-	(557)
Proceeds from sale of fixed assets		1,429	-
Disposal of investments (Note 11)		8	1,612
Investment income		245	133
Investment management fees		(9)	(14)
Movement in cash held in investments		-	113
Total Cashflows From Investing Activities		1,125	411
Cash Flows From Financing Activities			
Interest paid		(3)	(3)
Repayment of Loans		-	-
Total Cashflows From Financing Activities		(3)	(3)
Net Change In Cash And Cash Equivalents		1,334	1,016
Cash And Cash Equivalents At Beginning Of The Year		5,017	4,001
Cash And Cash Equivalents At End Of The Year	B	£6,351	£5,017
A Cash Flows From Operating Activities			
Net income for the year		1,218	577
Depreciation		406	357
Investment Income and Interest Receivable		(305)	(274)
Interest Payable		3	3
(Increase)/decrease in Stock		-	4
(Increase)/decrease in Debtors		(97)	91
Increase/(decrease) in Creditors		238	(34)
(Gain)/loss on sale of assets		(1,248)	45
(Gains) on investments		(12)	(175)
Investment management fees		9	14
		£212	£608
B Cash and Cash Equivalents			
Bank Balances		6,351	5,017
		£6,351	£5,017

Analysis Of Changes In Net Debt	**At 1st July 2024** £'000	**Cash Flows** £'000	**At 30th June 2025** £'000
Cash	5,017	1,334	6,351
Loans falling due within one year	-	-	-
Loans falling due in more than one year	(34)	-	(34)
	£4,983	1,334	£6,317

1. **Status of the Society**

The Society is a private company limited by guarantee registered under the Companies Act 2006 (Registered Number 10259078) in England & Wales and the Charities Act 2011 (Registered Number 1168173). The Society is also registered under the Housing & Regeneration Act 2008 (Regulator of Social Housing number H3294). The Society's registered office address and a description of the nature of the Society's operations can be found in the Report of the Trustees.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Society's accounts.

2.1 **Basis of Accounting and Assessment of Going Concern:**

The financial statements have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) Second Edition, the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Abbeyfield Wey Valley Society Limited is a public benefit entity and applies FRS 102 accordingly. The accounts comply with the Companies Act 2006, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing in England 2022.

The accounts have been prepared in £GBP sterling, which is the functional currency of the Society. Monetary amounts in these financial statements are rounded to the nearest thousand £.

The Trustees consider there are no material uncertainties about the Society's ability to continue as a going concern. Notwithstanding the operating deficit made in the year the Society has net assets of over £24.8m including investments, deposits and cash of over £9.2m.

2.2 **Fixed Assets – Housing Land and Buildings**

Housing land and buildings are stated at cost. The cost of properties is their purchase price together with incidental costs of acquisition including interest payable. Interest payable is capitalised by applying the Society's cost of borrowing to expenditure during the construction or refurbishment of any property up to the date of practical completion. Additionally, any professional fees incurred in the construction or refurbishment of any property are also capitalised cost.

In accordance with paragraph 17.16 of FRS 102, properties are accounted for on a component cost basis. In the absence of more precise information, the value of each component has been established using a matrix agreed between the National Housing Federation and the Institute of Chartered Accountants of England & Wales, with the exception of the Hatch Mill redevelopment of 2012 for which component information was available.

2.3 **Social Housing Grant**

Where developments have been financed wholly or partially by Social Housing Grant, the grant is recognised as income when received or receivable in accordance with the performance model. Social Housing Grant may be repayable in certain circumstances including the sale of the property or a change in its use.

2.4 **Fixed Assets: Fixtures, Fittings and Equipment**

Assets donated to the Society are not included in the balance sheet. Other assets are included at cost. Only assets purchased with a cost greater than £1,000 are capitalised.

2.5 **Loan Finance Costs**
Costs incurred in the securing and raising of loan finance are amortised over the period of the loan.

2.6 **Income**
All income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income can be measured reliably.

Turnover represents fees receivable, and income from care at home services which are recognised in the period to which they relate.

Monetary donations to the Society are credited to the Statement of Financial Activities when it is probable that they will be received. Grants, including government grants, are measured using the performance model and are credited to the Statement of Financial Activities when it is probable that they will be received and any conditions have been satisfied.

2.7 **Expenditure**
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Society to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Resources expended includes irrecoverable VAT.

2.8 **Depreciation**
The cost of completed Housing Properties (net of the cost of land) is depreciated over the life of the properties. Properties are accounted for on a component cost basis with each component being depreciated over its estimated useful life. The principal components and the depreciation rate applied to each component are set out below:

	Years		Years
Land	n/a	Kitchen	20
Main Structure & Fabric	100	Bathroom/W.C.	30
Roof & Covering	70	Heating/ventilation/plumbing	30
Windows and External Doors	30	Electrics	40
Gas Boilers	15	Lift	20
Grounds and gardens	15	Internal structures	20

- Leasehold Land is amortised over the term of the 125 year lease which began in 1983.
- Fixtures, fittings & equipment are depreciated over a 5 year life on a straight line basis.
- Computer equipment is depreciated over a 3 year life on a straight line basis.
- Vehicles are depreciated on a 25% reducing balance basis.

A full year's depreciation is charged on fixed assets in the year of purchase, with no charge applied in the year of disposal. Assets in the course of construction are not depreciated until they are brought into use.

2.9 **Stocks**

Stocks are valued at the lower of cost or net realisable value and primarily comprise of food stocks and cleaning materials.

2.10 **Investments**

Over 99% of the Society's investments are in unit trusts. Initially they are recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market price. The statement of financial activities includes the net gains and losses arising on the revaluations and disposals throughout the year.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

2.11 **Debtors and creditors**

Trade and Other Debtors are classified as basic financial instruments and are measured and recorded in the accounts at the initial transaction price.
Debtors and Creditors are subsequently measured at amortised cost using the effective interest rate method. Financial assets classified as receivable within one year and financial liabilities classified as payable within one year are not amortised.

2.12 **Corporation Tax and VAT**

The Society has charitable status and is exempt from Corporation Tax. The Society is not registered for VAT. No VAT is charged to residents and expenditure in the Statement of Financial Activities includes the relevant VAT.

2.13 **Pensions**

The Society used to operate a pension scheme for employees which meets the requirements of being a Qualifying Workplace Pension Scheme. The scheme was administered and operated by Standard Life Assurance Company which holds the assets of the scheme. It was a voluntary defined contribution scheme which is closed to new members. The Society additionally operates an auto-enrolment pension scheme which is operated through the National Employment Savings Trust (NEST) with both employees and the Society paying contributions monthly to NEST on a percentage of 'Qualifying Earnings' basis. Following the two most recent mergers, the Society also has schemes with NOW: Pensions and The People's Pension. These two schemes operate in a similar fashion to NEST.

2.14 **Significant Management Judgements and Estimation Uncertainties**

Impairment:

Properties are assessed for impairment when there is an indication that the property has been impaired. This includes properties in the course of development. The assessment is carried out by comparing the carrying value of the property with its recoverable amount (taking into account service potential), and, where applicable, the property is written down to its recoverable amount.

Depreciation:

The depreciation of property components is based on management's estimate of their useful lives which is kept under review.

Doubtful Debts provision:

The provision for doubtful debts is based on management's estimate of the recoverability of residents' arrears. No provision for doubtful debts is thought to be needed at 30th June 2025.

3.	Income from donations and grants	2025 £'000	2024 £'000
	Donations and bequests	11	55
	Total income from donations and grants	£11	£55

4.	Income from charitable activities		
	Gross fees from accommodation services	13,754	12,993
	Less voids	(2,081)	(1,902)
	Net fees receivable from accommodation services	11,673	11,091
	Home Care activities	180	170
	Net fees from all activities	£11,853	£11,261

5.	Investment income		
	Interest on funds on call and short notice	217	184
	Accumulated income	88	71
	Portfolio dividends and interest	-	19
	Total investment income	£305	£274

6.	Income from Other Trading Activities		
	Fundraising events	3	3
	Total income from Other Trading Activities	£3	£3

7. Expenditure on charitable activities

	2025 £'000	2024 £'000
Employee costs, agency staff and training	8,581	8,060
Catering	527	572
Other care expenses	283	296
Establishment expenses	560	493
Repairs and maintenance	542	371
Vehicle costs	10	14
Depreciation and amortisation	407	357
Residents' amenities	72	70
Interest payable	3	3
Debt provision and write-offs	144	89
Disposal of assets	18	45
Development costs	-	-
General management expenses	379	318
Support costs (Note 8)	549	486
Total expenditure on charitable activities	£12,075	£11,174

8. Support costs

	2025 £'000	2024 £'000
Employee costs	265	235
Administration costs	246	197
Payroll fees	12	12
Professional fees	11	32
Auditors' remuneration	15	10
Total support costs	£549	£486

Remuneration payable to the auditors for the auditing of the accounts, excluding VAT, amounted to £11,725 (2024: £11,800).

9. Raising Funds

	2025 £'000	2024 £'000
Investment management fees	9	14
Costs of fundraising events	2	3
Total Raising Funds	£11	£17

10. **Particulars of turnover, operating costs and operating surplus**

2025	Care Homes £'000	Housing £'000	Home Care £'000	Other £'000	TOTAL £'000
Fees at full occupancy	13,299	-	-	-	13,299
Home Care fees	-	-	180	-	180
Other income (grants/donations)	-	-	-	14	14
Rental income at full occupancy	-	145	-	-	145
Service charges	-	310	-	-	310
Gross Income (before voids)	13,299	455	180	14	13,948
Voids	(1,864)	(217)	-	-	(2,081)
Net incomes (after voids)	11,435	238	180	14	11,867
Direct Costs	(10,997)	(271)	(189)	(11)	(11,468)
Surplus/(deficit) before central overhead	438	(33)	(9)	3	399
Central overhead allocation	(558)	(44)	(13)	-	(615)
Operating surplus/(deficit)	(120)	(77)	(22)	3	(216)

10. **Particulars of turnover, operating costs and operating surplus (continued)**

2024	Care Homes £'000	Housing £'000	Home Care £'000	Other £'000	TOTAL £'000
Fees at full occupancy	12,607	-	-	-	12,607
Home Care fees	-	-	170	-	170
Other income (grants/donations)	-	-	-	58	58
Rental income at full occupancy	-	123	-	-	123
Service charges	-	263	-	-	263
Gross Income (before voids)	12,607	386	170	58	13,221
Voids	(1,688)	(214)	-	-	(1,902)
Net incomes (after voids)	10,919	172	170	58	11,319
Direct Costs	(10,096)	(271)	(189)	(17)	(10,573)
Surplus/(deficit) before central overhead	823	(99)	(19)	41	746
Central overhead allocation	(558)	(44)	(13)	-	(615)
Operating surplus/(deficit)	265	(143)	(32)	41	131

11. Tangible Fixed Assets

	Freehold Land & Buildings £'000	Long Leasehold Land £'000	Long Leasehold Buildings £'000	Work in Progress £'000	Sub Total Land & Buildings £'000	Fixtures Fittings & Equipment £'000	Vehicles £'000	Total £'000
Cost								
At 1st July 2024	16,539	69	1,833	334	18,775	1,206	66	20,047
Additions	54	-	2	109	165	374	9	548
Disposals	(259)	-	(1)	-	(260)	(20)	-	(280)
Transfers	4	-	-	-	4	(4)	-	-
At 30th June 2025	16,338	69	1,834	443	18,684	1,556	75	20,315
Depreciation								
At 1st July 2024	1,952	23	710	-	2,685	800	54	3,539
Charge for the year	227	-	26	-	253	149	3	405
On disposal	(78)	-	-	-	(78)	(20)	-	(98)
At 30th June 2025	2,101	23	736	-	2,860	929	57	3,846
Net Book Amount								
At 30th June 2024	£14,587	£46	£1,123	£334	£16,090	£406	£12	£16,508
At 30th June 2025	£14,237	£46	£1,098	£443	£15,824	£627	£18	£16,469

Note (a) A loan from Orchardbrook Limited of £33,860 (2024: £34,328) is secured on the long leasehold property.

Included within Freehold Land & Buildings is land of £3,020,000 (2024: £3,020,000) which is not depreciated.

		2025 £'000	2024 £'000
12.	**Investments**		
	Balance brought forward	2,829	3,751
	Additions	-	557
	Accumulated income	88	71
	Disposals	(8)	(1,667)
	Unrealised gains/(losses)	12	230
	Movement in cash	-	(113)
		£2,921	£2,829
	Within the above are:		
	Investments at fair value through net income	2,915	2,823
	Cash held by investment managers	6	6
		£2,921	£2,829

The Society disposed of investments with a carrying value of £8k for proceeds of £8k, realising gains of £Nil (2024: carrying value of £1,667k sold for proceeds of £1,612k realising losses of £55k).

13.	**Stocks**		
	Household supplies	£8	£8
14.	**Trade and Other Debtors**		
	Residents' fees	244	144
	Less provision for doubtful debts	(2)	-
		242	144
	Other debtors	5	1
	Prepayments and accrued income	230	263
		£477	£408
15.	**Cash and Cash Equivalents**		
	Bank accounts	244	763
	Fixed term deposits	6,100	4,250
	Cash in hand	7	4
		£6,351	£5,017

16. **Creditors: Amounts falling due within one year**

	2025 £'000	2024 £'000
Amount due on Orchardbrook Limited Loan (Note 17)	-	-
Trade creditors	172	194
Social Security and PAYE	213	154
Other creditors	143	95
Accruals and deferred income	370	396
	£898	£839

17. **Creditors: amounts falling due after one year**

Recycled Capital Grant Fund	Note 19	470	325
Loan from Orchardbrook Limited	Note (a)	34	34
Accruals and deferral income		34	-
		£538	£359

Note (a) A 60 year loan taken out in 1986 to help fund the development of Wey Valley House. Interest is fixed at 9.5% and is secured by a legal charge over Wey Valley House.

18. **Social Housing Grant**

	2025 £'000	2024 £'000
Aggregate amount received		
At 1st July 2024	3,428	3,428
Grant recycled to RCGF	(146)	-
At 30th June 2025	£3,282	£3,428
Released to SOFA		
At 1st July 2024	3,428	3,428
Grant recycled to RCGF	(146)	-
At 30th June 2025	£3,282	£3,428
Net Book Amount		
At 30th June 2024	£ -	£ -
At 30th June 2025	£ -	£ -

In addition to the above grants received by the Society, a total of £1,490,603 social housing grants have been assumed by the Society on transfer of properties from other Abbeyfield societies.

19. **Recycled Capital Grant Fund**

	2025 £'000	2024 £'000
Balance brought forward	325	325
Grants recycled	145	-
Interest accrued	-	-
Balance carried forward	£470	£325

The entire balance of the RCGF relates to Homes England.

20. **Reserves:**

Movement During The Year	**Opening Balance 01/07/2024** £'000	**Total Comprehensive Income** £'000	**Transfers To/(from) Reserves** £'000	**Closing Balance 30/06/2025** £'000
Unrestricted Reserves				
Designated Reserves	8,540	-	-	8,540
Revenue Reserve	10,304	1,553	26	11,883
Prudential Reserve	1,000	-	-	1,000
Total Unrestricted Funds	19,844	1,553	26	21,423
Restricted Funds (Note 21)	3,728	(335)	(26)	3,367
	£23,572	£1,218	-	£24,790

The Designated Reserve represents those reserves allocated by the Society to ensure its existing operations remain fit for purpose, and to develop new services.

The Prudential Reserve represents the funds necessary to cope with a downturn in the economic environment in which the Society operates, or in a worst-case scenario to allow an orderly liquidation of the Charity.

21. **Restricted Funds**

	Opening Balance 01/07/2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Closing Balance 30/06/2025 £'000
Roundhay	10	-	-	-	10
Guildford House Fund	61	-	-	-	61
Disabled Vehicle Fund	1	-	-	-	1
Maitland House Resident Financial Support	41	-	(1)	-	40
David Gresham House Premises Fund	817	-	(172)	(26)	619
Gresham Fund	218	-	(10)	-	208
Fixed Assets Fund	2,502	-	(152)	-	2,350
Wey Valley House Staff	78	-	-	-	78
	£3,728	£ -	£(335)	£(26)	£3,367

Restricted Funds

The Roundhay fund was established to support residents who might require additional financial support, and the Guildford House fund was to make life easier for residents who are hard of hearing and for their general comfort in the Guildford Home.

The David Gresham House Premises Fund and Gresham Fund were established as part of the Transfer of Engagements with Abbeyfield North Downs Society. The Premises Fund is to be applied on capital or revenue expenditure while the Gresham Fund is to be applied in supporting residents with payment of their fees.

The Fixed Assets Fund represents that element of the fixed assets of the Society which has been funded by social housing grants received from the government.

The Wey Valley House Staff fund represents a donation received for the benefit of Wey Valley House staff.

22. **Contingent Liabilities**

As part of the transfer of assets by Dorking Residential Care Homes on 30th August 2022, Abbeyfield Wey Valley Society, ("AWVS"), agreed that should it decide to sell the property that had been transferred across, before 30th August 2027, or close down the home or effectively cease to operate it as a care home, then it would have to pay a Compensation Payment calculated as below.

Net sales proceeds of any sale following the sale less deduction of:

i. Reasonable & proper costs of sale,
ii. Reasonable and proper closing down costs,
iii. Any proper costs of investments made by AWVS for improvements to the premises & grounds,
iv. Any properly incurred operational losses in respect the provision of care home services at the premises,
v. Any other proper costs incurred by AWVS in respect of the building & grounds which are not included within point iii above.

The net sales proceeds from the above should be divided equally between the Society and such charitable organisation or organisations in the Dorking area to be nominated by Central Surrey Voluntary Action, The Point, Lions Court, RH4 1AB or any successor body or, in the absence of either, Community Foundation for Surrey, charity number 1111600, Company number 5442921.

As part of the transfer of assets by Abbeyfield North Downs Society Limited on 28th April 2023, Abbeyfield Wey Valley Society, ("AWVS"), agreed that should it decide to transfer the premises or any interest in the premises before 28th April 2028 without the prior written consent of the Abbeyfield Society and consent may not be withheld in the case of a sale of the freehold on AWVS ceasing to provide services at the premises if the Abbeyfield Society is satisfied that arrangements have been made such that:

The net sale proceeds of any sale that occurs within 5 years of 28th April 2023, as calculated after the deduction of:

i. Costs of sale,
ii. Closing down costs
iii. Any investments made by AWVS for improvements to the building & grounds not paid for out of the Premises Fund, (see Note 21),
iv. Any operational losses not paid for out of the Premises Fund,
v. The cost of the repayment of the Social Housing Grants, if required
vi. Any other costs incurred by AWVS related to the Premises not paid for out of the Premises Fund will be transferred to the Abbeyfield Society.

23. **Capital Commitments**

At 30th June 2025 and 30th June 2024 the Society had no capital commitments.

The Board has approved the budget for the year ended 30th June 2026 which includes capital costs of £565,000 (2024: £655,000).

24. **Employees**

	2025	2024
	£'000	£'000
Salaries and wages	7,170	6,674
Employers' Social Security costs	686	557
Pensions	320	306
Termination payments	8	65
	£8,184	£7,602

The average number of employees in the period was 336 (2024: 333), which equated to approximately 250 full time equivalent heads (2024: 250).

25. **Payments to Members, Trustees and Officers**

No fees or remuneration were paid during this year or last to any of the Members or Trustees. Expenses reimbursed to Trustees in the current financial year amounted to £469 for travel and subsistence expenses (2024: £583 for travel and subsistence expenses).

The aggregate amount of emoluments, including pension contributions, payable to the Key Management Personnel in the year were £504,081 (2024: £509,846).

The full-time equivalent number of staff whose remuneration payable was more than £60,000 is:

	2025	2024
£120,000 - £130,000	1	1
£110,000 - £120,000	1	-
£100,000 - £110,000	-	1
£90,000 – £100,000	1	1
£80,000 – £90,000	-	-
£70,000 - £80,000	2	1
£60,000 – £70,000	8	4
	13	8

Included within the above were payments to the CEO, being the highest paid employee amounting to £115,188 for the year excluding pension contributions (2024: £120,558).

The CEO is a member of the Society's employee defined contribution scheme. The Society contributes to the CEO's pension at 7% of salary with the CEO contributing 10% of her salary. No special or enhanced terms apply.

26. **Controlling Party**

The Board of Trustees are the ultimate controlling party of the Society.

27. **Units in Management**

	2025	2024
Residential	162	162
Nursing	27	27
Sheltered	15	22
	204	211

One property comprising 7 sheltered units was sold during the year. There were no acquisitions of any properties.

28. Net Assets by fund	Unrestricted £'000	Restricted £'000	2025 Total £'000
Fixed Assets	17,040	2,350	19,390
Current Assets	5,819	1,017	6,836
Current Liabilities	(898)	-	(898)
Long Term Liabilities	(538)	-	(538)
Total	£21,423	£3,367	£24,790

	Unrestricted £'000	Restricted £'000	2024 Total £'000
Fixed Assets	16,835	2,502	19,337
Current Assets	4,207	1,226	5,433
Current Liabilities	(839)	-	(839)
Long Term Liabilities	(359)	-	(359)
Total	£19,844	£3,728	£23,572

29. **Reserves:**

Prior Year Movement

	Opening Balance 01/07/2023 £'000	Total Comprehensive Income £'000	Transfers To/(from) Reserves £'000	Closing Balance 30/06/2024 £'000
Unrestricted Funds				
Designated Reserves	8,540	-	-	8,540
Revenue Reserve	9,557	797	(50)	10,304
Prudential Reserve	850	-	150	1,000
Total Unrestricted Funds	18,947	797	100	19,844
Restricted Funds	4,048	(220)	(100)	3,728
	£22,995	£557	£ -	£23,572

Restricted Funds	Opening Balance 01/07/2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Closing Balance 30/06/2024 £'000
Hatch Mill Garden Fund	17	-	(17)	-	-
Roundhay	10	-	-	-	10
Guildford House Fund	61	-	-	-	61
Disabled Vehicle Fund	1	-	-	-	1
Maitland House Lift Fund	24	-	-	(24)	-
Maitland House Resident Financial Support Fund	47	-	(6)	-	41
David Gresham House Premises Fund	1,000	-	(162)	(21)	817
Gresham Fund	273	-	-	(55)	218
Fixed Assets Fund	2,537	-	(35)	-	2,502
Wey Valley House Staff	78	-	-	-	78
	£4,048	£ -	£(220)	£(100)	£3,728

30. **Related Party Transactions**

There were no related party transactions during the year, other than those disclosed in note 25.

31. **Operating Lease Commitments**

The Society has the following non-cancellable operating lease commitments:

	2025 £'000	2024 £'000
Due within one year	50	-
Due in between one and five years	173	-
Due in more than five years	-	-
	£223	£ -

The Society recognised an expense of £29k in relation to operating leases in the year.

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

England & Wales - Charity number 1168173

Accounts

Company number: 10259078
Charity number: 1168173

Abbeyfield Wey Valley Society Limited

Financial Statements

For The Year Ended 30th June 2024

Abbeyfield Wey Valley Society Limited

Financial Statements

For The Year Ended 30th June 2024

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Abbeyfield Wey Valley Society Limited

Legal and Administrative Information

Charity number	1168173
Company number	10259078
Registered Provider number	H3294
Principal and registered office	Wey Valley House Mike Hawthorn Drive Farnham Surrey GU9 7UQ
Auditors	Knox Cropper LLP Office Suite 1, Haslemere House Lower Street Haslemere Surrey GU27 2PE
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP
Investment Management	Barclays Wealth and Investment Management Barclays Bank Plc 1 Churchill Place London E14 5HP

Abbeyfield Wey Valley Society Limited

Report of the Board of Trustees

For The Year Ended 30th June 2024

Chairman: Mr Brian Thomas

Vice Chairman: Mrs G Ward

Secretary: Mr D Hutchinson

Other members of the Board of Trustees:

Mr P Duffy– Treasurer to 14/08/2024
Mr T Shepherd
Ms E Edgar
Mr P Gresham – Treasurer from 14/08/2024
Ms S Ferguson (appointed 26/08/2024, resigned 05/11/2024)
Mr F P Whitlock
Mr N Grealy
Mr A Dick
Mr P Davies (appointed 07/11/2024)

Senior Management

The Senior Management team in place at the date of the signing of these accounts were:

Ms S Tidy	Chief Executive Officer
Mr J Wigmore	Chief Finance Officer
Ms S Hartley	Chief Operating Officer
Ms L Arnold	Operations Manager
Mr I Looms	Marketing & PR Manager

The Board of Trustees of the Society (and Directors of the Company) present their Report and audited Financial Statements for the year ended 30th June 2024.

Status

The Society is registered as a Charitable Company – Abbeyfield Wey Valley Society Limited (Charitable Number: 1168173 and Company Number: 10259078) and is governed by its Articles of Association. The Society is registered with the Regulator of Social Housing (Homes England) (No. H3294) and six of the Society's homes; Wey Valley House, Hatch Mill, Maitland House, Nower House, David Gresham House and Ridgway Court, as well as domiciliary care, together with the CEO, are registered with the Care Quality Commission under the Care Standards Act 2000.

Purpose & principal activity

The principal activity of the Society is to provide accommodation for the relief and care of elderly persons suffering from disabilities of age or otherwise being in need. To this end, the principal activities of the company are the operation of residential care, nursing care, sheltered housing, and domiciliary care services.

Public Benefit

The primary public benefit offered by the Society is the relief of loneliness for the elderly, but more specifically, the benefits provided by the Society include:

- Providing residential accommodation to elderly people who are unable to look after themselves.
- Caring for elderly people who are frail and need long term nursing care.
- Providing sheltered housing to elderly people unable to live on their own.
- Providing domiciliary care to the community.

The Trustees confirm that they have had regard for the Charity Commission's guidance on public benefit.

Strategic Report:

Objectives of the Society

The long-term objectives of the Society are set by its objects, as per 3.1 of the Articles of Association. The Society is established for the relief and care of an increasing number of elderly persons of all classes, beliefs and nationalities suffering from the disabilities of old age or otherwise in need by the provision and management of housing including social housing, accommodation or assistance for such persons on a not-for-profit basis. The short-term objective is to ensure that the company remains viable and to ensure that it can continue to meet its long-term objective.

Measurement of success against aims and objectives

The Trustees have referred to the guidance in the Charity Commission general guidance on public benefit when reviewing the aims and objectives of the Society and in planning its activities and in measuring its success against those aims and objectives. The objects will be principally attained by the provision of nursing care, living assistance, meals and accommodation in the care homes that are run by the Society. The Society measures its success against long-term objectives by the level, quality, range of care provided, and consistently high occupancy levels. Short-term success is measured by achievement of a sustainable net surplus.

As well as its financial position the Society is continually monitoring its performance by the use of questionnaires completed by both sponsors and residents.

Value for money

Through the Trustee structure of the Society, it is able to maintain its fees at a level below that of other providers offering similar levels of care/services in its geographical locality. The Board is therefore very confident that its service users are being offered value for money. The Society's principal funding source is fees paid by our service users, and fees paid on behalf of our service users by County Councils and Care Commissioning Groups. The Society also has a number of volunteers who provide companionship to the Care Home residents on an ad-hoc basis.

Value for Money metrics

In response to the Value for Money Standard issued by the Regulator of Social Housing, the Society reports the required seven Value for Money metrics. The Society has chosen to publish comparatives from The Abbeyfield Society (TAS) – Housing Association Number H1046.

Metric 1 – Reinvestment %

This metric looks at the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held.

The only major capital expenditure during the year was approximately £315,000 spent on professional fees on the proposed Wey Valley House Extension.

Metrics 2 – New supply delivered %

The Society did not deliver any new supply.

Metrics 3 – Gearing %

The Society's sheltered social housing is all freehold and is owned outright. The Society has one long term loan against one of its care homes, Wey Valley House.

Metrics 4 – Earnings before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %

The only interest paid by the Society relates to the loan identified in Metric 3.

Metric 5 – Headline social housing cost per unit

Metric 6 – Operating Margin %

Metric 7 – Return on capital employed (ROCE) %

This metric compares the operating surplus to total assets less current liabilities.

		Year ended 30/06/2024	Year ended 30/06/2023	Comparator
Metric 1	- Care	**4.1%**	0.5%	
	- Sheltered	**2.5%**	0.0%	
	- Overall	**3.9%**	0.4%	4.0%
Metric 2		**0.0%**	0.0%	0.0%
Metric 3		**(31.0)%**	(25.1)%	(12.0)%
Metric 4		**5,344.1%**	(14,174.9)%	(3,979)%
Metric 5	- Care	**£18,531**	£43,650	
	- Sheltered	**£18,531**	£15,715	
	- Overall	**£51,602**	£41,399	£27,378
Metric 6	- Care	**2.43%**	(8.6)%	
	- Sheltered	**(83.67)%**	(59.6)%	(27.94)%
	- Overall	**1.16%**	(8.4)%	(16.21)%
Metric 7		**0.55%**	(3.0)%	(7.1)%

Results for the year

The Financial Statements have been prepared in accordance with the Housing & Regeneration Act 2008 and The Accounting Direction for Private Registered Providers of Social Housing 2022 and the Charities SORP.

The care and management activities of the Society during the year show an operating surplus of £131,392 (2023: £711,465 deficit) on a turnover of £11,319,264 (2023: £8,450,188). After adjusting for net investment returns, and investment and property revaluations, the resulting Net Movement in Funds as identified on the SOFA are a gain of £576,907 (2023: gain of £9,117,382).

Within this result, the Home Care business generated a turnover of £170,031 (2023: £186,129).

Donations received in the year amounted to £54,922 (2023: £88,032) The excess of interest receivable over that payable amounted to £181,100 (2023: net interest receivable of £49,991).

The COVID – 19 pandemic is now firmly behind us. However, on the back of the pandemic, Nower House continues to struggle to reach acceptable occupancy rates. The Society has instigated a more in-depth & holistic marketing effort in order to reduce the number of voids. Significant expenditure has been made and will continue to be made to ensure the home is more appealing not only to the current residents but to potential residents as well.

The small operating surplus for the year for the year was despite the voids at Nower House and high levels of agency staff. Management is actively working to reduce both voids and agency costs.

Fixed Assets
Additions and disposals of fixed assets together with movements in the associated depreciation provisions are set out in Note 11. The Board are satisfied that the value of its housing stock is in line with the net book value of the underlying fixed assets. The net book value of the Society's land and building assets at the 30th June 2024 was £16.1 million. Associated with these assets are historic Social Housing Grants which are identified in Note 18 and amount to £3.43 million.

Investments
The Society continues to hold investments managed by Barclays Wealth in one of their Charity Unit trusts. Details of movements within the investment can be found in Note 12. The Society had a good 23/24 financial year.

Equality and Diversity policy
The Society has a robust Equality and Diversity Policy which promotes awareness and defines appropriate training to enable staff to recognise and avoid discrimination, harassment, victimisation and promote equal opportunities.

Job applicants will not be asked about health or disability before a job offer is made, except in the very limited circumstances allowed by law, for example, to check that the applicant can perform intrinsic parts of the role they are applying for, (E.g. heavy lifting - taking account of any reasonable adjustments), or to see if any reasonable adjustments can be made prior to employment.

The Society is responsive to the needs of its employees and as such will always actively seek to make reasonable workplace adjustments should any employee of the Society become disabled during employment.

The Society appreciates that members of staff may be neurodivergent and will endeavour to ensure that neurodivergent employees are not treated unfairly or suffer any detriment due to their neurodivergence.

Mandatory training on Equality and Diversity is undertaken by all staff annually.

Post Balance Sheet Events
Kemnal House, the Society's sheltered home in Haslemere, is up for sale.

Reserves Policy
The Charity Commission expects that all charities have plans to spend the money that they receive for charitable purposes. However, they also expect charities to hold reserves to meet specific longer-term charitable purposes, and also to mitigate the risks inherent in their businesses. The Trustees believe that the Society requires adequate reserves:

1. To address the possibility of a rapid downturn in occupancy level which would adversely affect our income generation. Thus, a reserve would be needed to allow for a restructuring of the Society.
2. To enable an orderly liquidation in the most unlikely event of the Society needing to cease operation.
3. To ensure its existing operations remain fit for purpose, and to ensure the financial flexibility to develop new services in existing and potentially new locations.
4. The Society, in line with its charitable objectives, intends to ensure that its services are available to those in need.

The Balance Sheet shown in these financial statements, and also shown in Note 28, shows the Society to have total funds of £23,571,717 at 30th June 2024. Of this balance, £3,728,651 is held in restricted funds as identified in Note 21 to the accounts.

A 'Prudential Reserve' is held at £1,000,000 to cover items 1 & 2. It increased during the year by £150,000 to reflect the acquisitions of Nower House & David Gresham House in the previous year.

A 'Designated Reserve' is held at £8,539,803 to cover item 3.

Finally, in order to adequately perform its charitable purposes, identified in 4 above, the Society holds a 'Revenue Reserve' at the 30th June 2024 of £10,303,263. These reserves, together with those reserves gained from historical mergers are held within the Fixed Assets of the Society together with those net current assets not already allocated to the 'Prudential Reserve' and the 'Designated Reserve'.

The Trustees review Reserve balances annually to ensure they are adequate, and that they are held in appropriate asset types.

Future Plans

The Society continues to use its cash resources and operational expertise to make improvements to Nower House, with the aim to increase occupancy to the level of the Society's other homes.

Following the merger with Abbeyfield North Downs, the Society continues to embed David Gresham House into the Society.

The Society also plans a significant extension to Wey Valley House, to modernise and increase the number of rooms, to ensure it remains competitive in today's market and 'fit for the future' – The works will provide new rooms with en-suite walk in showers, an upgraded lift, new seating areas and a new hairdressing salon.

There have been no complaints in our Sheltered Housing for the period, therefore no annual complaints performance & service improvement report is required.

Organisation Structure

The members of the Board of Trustees have overall responsibility for ensuring that the Society has appropriate systems of control, care, financial and otherwise. The systems of financial control are designed to provide reasonable, but not absolute, assurance against any material financial misstatement, especially of loss. They include an annual budget, approved by the Board of Trustees, regular review of actual results and variances from budget, and delegation of authority and segregation of duties as far as possible given staffing levels. The Board meets at least four times a year.

The Society operates two separate sub-committees corresponding to the core areas of the Society's business; namely Care and Finance. Each is headed by a trustee and reports directly to the Board of Trustees. These sub-committees meet at least four times a year.

The Chair of each sub-committee and the Board Chair form the Remuneration Committee which meets at least once a year to agree Management pay setting for the upcoming year. No Trustees are paid for their services although expenses incurred in the course of their duties are encouraged to be claimed.

The Society has a very strong and effective Board of Trustees. We maintain a matrix of people against needed skills and experience. The Trustees are thus able to consider all issues coming before them in a proper manner, but consultants are used where particular specialist advice is required.

Trustees are usually recommended to us or come forward as volunteers, though it is becoming increasingly difficult to find suitable individuals who are prepared to take on the responsibility involved. We would welcome trustees of any gender, sexual orientation, or ethnic background but sadly at the present time we have no-one from one of the minority communities. This is probably due to the demographic makeup of the local area.

All new trustees are interviewed by the Chairman, Vice-Chairman and Chief Executive prior to appointment. They then have an induction programme of at least a day. The aforementioned three people monitor the performance of the Board on a continuous basis and equally the trustees are encouraged to provide feedback to the Chairman and Vice Chairman on their performance.

Risk management

The Board of Trustees formally monitors risks annually and sets up policies to mitigate them.

The members of the Board of Trustees are committed to ensuring that the Society's system of internal controls is adequate and effective. A number of steps have been taken to enhance further the existing systems of internal control. These include:

a) A progressive revision and upgrade of risk management arrangements; and
b) A review of the Operational Risk Assessment programme to incorporate both qualitative and compliance review of all of the Society's activities.

The Society maintains an Assets & Liabilities register and completes an annual Stress Test of the Society's financial strength. Both have given further confidence to the Trustees that the Society is in a strong position to continue its service and meet its public benefit for the foreseeable future.

Health and safety

The Society is aware of its responsibilities on matters relating to health and safety. The Society has prepared detailed health and safety policies and provides regular training and education on health and safety matters.

Statement of the Board of Trustees Responsibilities

The Charities Act 2011 and Companies Act 2006, and Registered Social Housing legislation requires the Board to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Society as at the end of that financial period and of the surplus or deficit of the Society for the period ended on that date. In preparing these financial statements suitable accounting policies have been used, framed to the best of the Board's knowledge and belief, by reference to reasonable and prudent judgments and estimates and applied consistently. Applicable UK accounting standards and statements of recommended practice have been followed. The Board is also required to indicate where the financial statements are prepared other than on the basis that the Society is a going concern.

The Board of Trustees is responsible for ensuring the keeping of proper books of account which disclose with reasonable accuracy at any time the financial position of the Society and which enable them to ensure that the accounts comply with the Charities Act 2011, the Companies Act 2006, the Housing & Regeneration Act 2008 and The Accounting Direction for Private Registered Providers of Social Housing 2022. They are responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to Auditors

So far as each Member of the Board is aware at the time the report is approved:

- There is no relevant audit information of which the company's auditors are unaware, and
- The Board members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Signed on behalf of the Board



Mr Brian Thomas: Chairman

Dated: 19th December 2024

Independent Auditors' Report to the Members

of Abbeyfield Wey Valley Society Limited

Opinion

We have audited the financial statements of Abbeyfield Wey Valley Society Limited (the 'Society') for the year ended 30th June 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Society's affairs as at 30th June 2024 and of its income and expenditure, including its result, 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, 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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the Society 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 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Society and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page eight, the trustees (who are also the directors of the Society for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Society which have a direct impact on the financial statements and determined that the most significant are the

Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Companies Act 2006 and Standards issued by the Regulator of Social Housing.

- We understood how the Society is complying with those frameworks via communication with those charged with governance, together with the review of the Society's documented policies and procedures.
- We assessed the susceptibility of the Society's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. These included risks associated with revenue recognition and management override of controls, which were discussed and agreed by the audit team.
- Our approach included agreeing the Society's recognition of income to the terms of the underlying contract, the review of journal entries processed in the accounting records and the investigation of significant and unusual transactions identified from our review of the accounting records.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the Society.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the Society's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Elkins FCA (Senior Statutory Auditor)
Knox Cropper LLP
Chartered Accountants and Statutory Auditors
Office Suite 1, Haslemere House
Lower Street
Haslemere
Surrey GU27 2PE

Dated: 24 December 2024

Abbeyfield Wey Valley Society Limited

Statement of Financial Activities (Incorporating the Income and Expenditure Account)

For The Year Ended 30th June 2024

	Notes	2024 Unrestricted funds £'000	2024 Restricted funds £'000	2024 Total funds £'000	2023 Unrestricted funds £'000	2023 Restricted funds £'000	2023 Total funds £'000
Income from							
Donations and grants	3	55	-	55	4	87	91
Charitable Activities	4	11,261	-	11,261	8,356	-	8,356
Investments	5	274	-	274	125	-	125
Other Trading Activities	6	3	-	3	3	-	3
Gift on Charity Combination	30	-	-	-	8,076	1,273	9,349
		11,593	-	11,593	16,564	1,360	17,924
Expenditure on							
Raising Funds	9	17	-	17	9	-	9
Charitable Activities	7	10,954	220	11,174	9,116	36	9,152
		10,971	220	11,191	9,125	36	9,161
Gains/(losses) on revaluation of investments		175	-	175	(3)	-	(3)
Gain on sale of property		-	-	-	567	(209)	358
Net income/(expenditure)		797	(220)	577	8,003	1,115	9,118
Transfers between funds		100	(100)	-	-	-	-
Net movement in funds		897	(320)	577	8,003	1,115	9,118
Funds brought forward 1st July 2023		18,947	4,048	22,995	10,944	2,933	13,877
Funds carried forward 30th June 2024		19,844	3,728	23,572	18,947	4,048	22,995

Abbeyfield Wey Valley Society Limited

Balance Sheet

At 30th June 2024

	Notes	2024 £'000	2023 £'000
Tangible Fixed Assets			
Housing Properties at Depreciated Cost	11	16,090	15,773
Vehicles	11	12	16
Fixtures, fittings and equipment	11	406	245
Investments	12	2,829	3,751
		19,337	19,785
Current Assets			
Stocks	13	8	12
Trade and Other Debtors	14	408	429
Cash and Cash Equivalents	15	5,017	4,001
		5,433	4,442
Current Liabilities			
Creditors: amounts falling due within one year	16	839	873
Net Current Assets		4,594	3,569
Total Assets less Current Liabilities		23,931	23,354
Long Term Liabilities			
Creditors: amounts falling due after one year	17	359	359
Total Net Assets		£23,572	£22,995
Funds			
Unrestricted Funds	20	19,844	18,947
Restricted Funds	21	3,728	4,048
Total Funds		£23,572	£22,995

The Financial Statements were approved at the Board of Trustees meeting on 19th December 2024, and signed on its behalf by:

Mr B Thomas – Chairman

Mr P Gresham - Treasurer

Abbeyfield Wey Valley Society Limited

Statement of Cash Flows

For The Year Ended 30th June 2024

	Notes	2024	2023
		£'000	£'000
Net Cash Generated From Operating Activities	A	608	(258)
Cash Flows From Investing Activities			
Purchase of property components		(623)	(66)
Purchase of other fixed assets		(253)	(147)
Purchase of fixed asset investments		(557)	-
Proceeds from sale of fixed assets		-	2,371
Disposal of investments (Note 11)		1,612	162
Investment income		133	34
Investment management fees		(14)	(8)
Movement in cash held in investments		113	(9)
Total Cashflows From Investing Activities		411	2,337
Cash Flows From Financing Activities			
Interest paid		(3)	(3)
Repayment of Loans		-	-
Total Cashflows From Financing Activities		(3)	(3)
Net Change In Cash And Cash Equivalents		1,016	2,076
Cash And Cash Equivalents At Beginning Of The Year		4,001	1,925
Cash And Cash Equivalents At End Of The Year	B	£5,017	£4,001

A	**Cash Flows From Operating Activities**		
	Net (expenditure)/income for the year	577	9,118
	Depreciation	357	291
	Investment Income and Interest Receivable	(274)	(125)
	Interest Payable	3	3
	Non-cash gift on charity combination	-	(8,951)
	(Increase)/decrease in Stock	4	-
	(Increase)/decrease in Debtors	91	(92)
	Increase/(decrease) in Creditors	(34)	(155)
	(Gain)/loss on sale of assets	45	(358)
	(Gains)/losses on investments	(175)	3
	Investment management fees	14	8
		£608	£(258)
B	**Cash and Cash Equivalents**		
	Bank Balances	5,017	4,001
		£5,017	£4,001

Analysis Of Changes In Net Debt	**At 1st July 2023**	**Cash Flows**	**At 30th June 2024**
	£'000	£'000	£'000
Cash	4,001	1,016	5,017
Loans falling due within one year	-	-	-
Loans falling due in more than one year	(34)	-	(34)
	£3,967	1,016	£4,983

1. **Status of the Society**

The Society is a private company limited by guarantee registered under the Companies Act 2006 (Registered Number 10259078) in England & Wales and the Charities Act 2011 (Registered Number 1168173). The Society is also registered under the Housing & Regeneration Act 2008 (Regulator of Social Housing number H3294). The Society's registered office address and a description of the nature of the Society's operations can be found in the Report of the Trustees.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Society's accounts.

2.1 **Basis of Accounting and Assessment of Going Concern:**

The financial statements have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) Second Edition, the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Abbeyfield Wey Valley Society Limited is a public benefit entity and applies FRS 102 accordingly. The accounts comply with the Companies Act 2006, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing in England 2022.

The accounts have been prepared in £GBP sterling, which is the functional currency of the Society. Monetary amounts in these financial statements are rounded to the nearest thousand £.

The Trustees consider there are no material uncertainties about the Society's ability to continue as a going concern.

2.2 **Fixed Assets – Housing Land and Buildings**

Housing land and buildings are stated at cost. The cost of properties is their purchase price together with incidental costs of acquisition including interest payable. Interest payable is capitalised by applying the Society's cost of borrowing to expenditure during the construction or refurbishment of any property up to the date of practical completion. Additionally, any professional fees incurred in the construction or refurbishment of any property are also capitalised cost.

In accordance with paragraph 17.16 of FRS 102, properties are accounted for on a component cost basis. In the absence of more precise information, the value of each component has been established using a matrix agreed between the National Housing Federation and the Institute of Chartered Accountants of England & Wales, with the exception of the Hatch Mill redevelopment of 2012 for which component information was available.

2.3 **Social Housing Grant**

Where developments have been financed wholly or partially by Social Housing Grant, the grant is recognised as income when received or receivable in accordance with the performance model. Social Housing Grant may be repayable in certain circumstances including the sale of the property or a change in its use.

2.4 **Fixed Assets: Fixtures, Fittings and Equipment**

Assets donated to the Society are not included in the balance sheet. Other assets are included at cost. Only assets purchased with a cost greater than £1,000 are capitalised.

2.5 **Loan Finance Costs**

Costs incurred in the securing and raising of loan finance are amortised over the period of the loan.

2.6 **Income**

All income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income can be measured reliably.

Turnover represents fees receivable, and income from care at home services which are recognised in the period to which they relate.

Monetary donations to the Society are credited to the Statement of Financial Activities when it is probable that they will be received. Grants, including government grants, are measured using the performance model and are credited to the Statement of Financial Activities when it is probable that they will be received and any conditions have been satisfied.

2.7 **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Society to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Resources expended includes irrecoverable VAT.

2.8 **Depreciation**

The cost of completed Housing Properties (net of the cost of land) is depreciated over the life of the properties. Properties are accounted for on a component cost basis with each component being depreciated over its estimated useful life. The principal components and the depreciation rate applied to each component are set out below:

	Years		Years
Land	n/a	Kitchen	20
Main Structure & Fabric	100	Bathroom/W.C.	30
Roof & Covering	70	Heating/ventilation/plumbing	30
Windows and External Doors	30	Electrics	40
Gas Boilers	15	Lift	20
Grounds and gardens	15	Internal structures	20

- Leasehold Land is amortised over the term of the 125 year lease which began in 1983.
- Fixtures, fittings & equipment are depreciated over a 5 year life on a straight line basis.
- Computer equipment is depreciated over a 3 year life on a straight line basis.
- Vehicles are depreciated on a 25% reducing balance basis.

A full year's depreciation is charged on fixed assets in the year of purchase, with no charge applied in the year of disposal. Assets in the course of construction are not depreciated until they are brought into use.

2.9 **Stocks**

Stocks are valued at the lower of cost or net realisable value, and primarily comprise of food stocks and cleaning materials.

2.10 **Investments**

Over 99% of the Society's investments are in unit trusts. Initially they are recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market price. The statement of financial activities includes the net gains and losses arising on the revaluations and disposals throughout the year.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

2.11 **Debtors and creditors**

Trade and Other Debtors are classified as basic financial instruments and are measured and recorded in the accounts at the initial transaction price.
Debtors and Creditors are subsequently measured at amortised cost using the effective interest rate method. Financial assets classified as receivable within one year and financial liabilities classified as payable within one year are not amortised.

2.12 **Corporation Tax and VAT**

The Society has charitable status and is exempt from Corporation Tax. The Society is not registered for VAT. No VAT is charged to residents and expenditure in the Statement of Financial Activities includes the relevant VAT.

2.13 **Pensions**

The Society used to operate a pension scheme for employees which meets the requirements of being a Qualifying Workplace Pension Scheme. The scheme was administered and operated by Standard Life Assurance Company which holds the assets of the scheme. It was a voluntary defined contribution scheme which is closed to new members. The Society additionally operates an auto-enrolment pension scheme which is operated through the National Employment Savings Trust (NEST) with both employees and the Society paying contributions monthly to NEST on a percentage of 'Qualifying Earnings' basis. Following the two most recent mergers, the Society also has schemes with NOW: Pensions and The People's Pension. These two schemes operate in a similar fashion to NEST.

2.14 **Significant Management Judgements and Estimation Uncertainties**

Impairment:

Properties are assessed for impairment when there is an indication that the property has been impaired. This includes properties in the course of development. The assessment is carried out by comparing the carrying value of the property with its recoverable amount (taking into account service potential), and, where applicable, the property is written down to its recoverable amount.

Depreciation:

The depreciation of property components is based on management's estimate of their useful lives which is kept under review.

Doubtful Debts provision:

The provision for doubtful debts is based on management's estimate of the recoverability of residents' arrears. No provision for doubtful debts is thought to be needed at 30th June 2024.

3. Income from donations and grants

	2024 £'000	2023 £'000
Covid-related Fund Grants	-	3
Donations and bequests	55	88
Total income from donations and grants	£55	£91

Covid-related Fund Grants represents government grants received to support the Society through the Covid19 pandemic. There are no unfulfilled conditions or contingencies related to government grants.

4. Income from charitable activities

Gross fees from accommodation services	12,993	9,353
Less voids	(1,902)	(1,183)
Net fees receivable from accommodation services	11,091	8,170
Home Care activities	170	186
Net fees from all activities	£11,261	£8,356

5. Investment income

Interest on funds on call and short notice	184	53
Accumulated income	71	61
Portfolio dividends and interest	19	11
Total investment income	£274	£125

6. Income from Other Trading Activities

Fundraising events	3	3
Total income from Other Trading Activities	£3	£3

7. Expenditure on charitable activities

	2024 £'000	2023 £'000
Employee costs, agency staff and training	8,060	6,581
Catering	572	417
Other care expenses	296	226
Establishment expenses	493	370
Repairs and maintenance	371	449
Vehicle costs	14	12
Depreciation and amortisation	357	291
Residents' amenities	70	56
Interest payable	3	3
Debt provision and write-offs	89	57
Disposal of assets	45	-
Development costs	-	-
General management expenses	318	253
Support costs (Note 8)	486	437
Total expenditure on charitable activities	£11,174	£9,152

8. Support costs

	2024 £'000	2023 £'000
Employee costs	235	183
Administration costs	197	157
Payroll fees	12	12
Professional fees	32	62
Auditors' remuneration	10	23
Total support costs	£486	£437

Remuneration payable to the auditors for the auditing of the accounts, excluding VAT, amounted to £11,800 (2023: £11,450).

9. Raising Funds

	2024 £'000	2023 £'000
Investment management fees	14	8
Costs of fundraising events	3	1
Total Raising Funds	£17	£9

10. **Particulars of turnover, operating costs and operating surplus**

2024	Care Homes £'000	Housing £'000	Home Care £'000	Other £'000	TOTAL £'000
Fees at full occupancy	12,607	-	-	-	12,607
Home Care fees	-	-	170	-	170
Other income (grants/donations)	-	-	-	58	58
Rental income at full occupancy	-	123	-	-	123
Service charges	-	263	-	-	263
Gross Income (before voids)	12,607	386	170	58	13,221
Voids	(1,688)	(214)	-	-	(1,902)
Net incomes (after voids)	10,919	172	170	58	11,319
Direct Costs	(10,096)	(271)	(189)	(17)	(10,573)
Surplus/(deficit) before central overhead	823	(99)	(19)	41	746
Central overhead allocation	(558)	(44)	(13)	-	(615)
Operating surplus/(deficit)	265	(143)	(32)	41	131

10. **Particulars of turnover, operating costs and operating surplus (continued)**

2023	Care Homes £'000	Housing £'000	Home Care £'000	Other £'000	TOTAL £'000
Fees at full occupancy	8,993	-	-	-	8,993
Home Care fees	-	-	186	-	186
Other income (grants/donations)	3	-	-	91	94
Rental income at full occupancy	-	108	-	-	108
Service charges	-	252	-	-	252
Gross Income (before voids)	8,996	360	186	91	9,633
Voids	(1,006)	(177)	-	-	(1,183)
Net incomes (after voids)	7,990	183	186	91	8,450
Direct Costs	(8,199)	(242)	(169)	(9)	(8,619)
Surplus/(deficit) before central overhead	(209)	(59)	17	82	(169)
Central overhead allocation	(476)	(50)	(17)	-	(543)
Operating surplus/(deficit)	(685)	(109)	-	82	(712)

11. **Tangible Fixed Assets**

	Freehold Land & Buildings £'000	Long Leasehold Land £'000	Long Leasehold Buildings £'000	Work in Progress £'000	Sub Total Land & Buildings £'000	Fixtures Fittings & Equipment £'000	Vehicles £'000	Total £'000
Cost								
At 1st July 2023	16,297	69	1,831	19	18,216	953	66	19,235
Additions	306	-	2	315	623	253	-	876
Disposals	(64)	-	-	-	(64)	-	-	(64)
At 30th June 2024	16,539	69	1,833	334	18,775	1,206	66	20,047
Depreciation								
At 1st July 2023	1,737	22	684	-	2,443	708	50	3,201
Charge for the year	234	1	26	-	261	92	4	357
On disposal	(19)	-	-	-	(19)	-	-	(19)
At 30th June 2024	1,952	23	710	-	2,685	800	54	3,539
Net Book Amount								
At 30th June 2023	£14,560	£47	£1,147	£19	£15,773	£245	£16	£16,034
At 30th June 2024	£14,587	£46	£1,123	£334	£16,090	£406	£12	£16,508

Note (a) A loan from Orchardbrook Limited of £34,328 (2023: £34,754) is secured on the long leasehold property.

Included within Freehold Land & Buildings is land of £3,020,000 (2023: £3,020,000) which is not depreciated.

		2024 £'000	2023 £'000
12.	**Investments**		
	Balance brought forward	3,751	1,953
	Additions	557	1,788
	Accumulated income	71	61
	Disposals	(1,667)	(158)
	Unrealised gains/(losses)	230	(7)
	Movement in cash	(113)	114
		£2,829	£3,751
	Within the above are:		
	Investments at fair value through net income	2,823	3,632
	Cash held by investment managers	6	119
		£2,829	£3,751

The Society disposed of investments with a carrying value of £1,667k for proceeds of £1,612k, realising losses of £(55k) (2023: carrying value of £158k sold for proceeds of £162k realising gains of £4k).

13.	**Stocks**		
	Household supplies	£8	£12
14.	**Trade and Other Debtors**		
	Residents' fees	144	242
	Less provision for doubtful debts	-	-
		144	242
	Other debtors	1	12
	Prepayments and accrued income	263	175
		£408	£429
15.	**Cash and Cash Equivalents**		
	Bank accounts	763	3,999
	Fixed term deposits	4,250	-
	Cash in hand	4	2
		£5,017	£4,001

16. **Creditors: Amounts falling due within one year**

	2024 £'000	2023 £'000
Amount due on Orchardbrook Limited Loan (Note 17)	-	-
Trade creditors	194	213
Social Security and PAYE	154	154
Other creditors	95	102
Accruals and deferred income	396	404
	£839	£873

17. **Creditors: amounts falling due after one year**

		2024 £'000	2023 £'000
Recycled Capital Grant Fund	Note 19	325	325
Loan from Orchardbrook Limited	Note (a)	34	34
		£359	£359

Note (a) A 60 year loan taken out in 1986 to help fund the development of Wey Valley House. Interest is fixed at 9.5% and is secured by a legal charge over Wey Valley House.

18. **Social Housing Grant**

	2024 £'000	2023 £'000
Aggregate amount received		
At 1st July 2023	3,428	3,753
Grant recycled to RCGF	-	(325)
At 30th June 2024	£3,428	£3,428
Released to SOFA		
At 1st July 2023	3,428	3,753
Grant recycled to RCGF	-	(325)
At 30th June 2024	£3,428	£3,428
Net Book Amount		
At 30th June 2023	£ -	£ -
At 30th June 2024	£ -	£ -

In addition to the above grants received by the Society, a total of £1,490,603 social housing grants have been assumed by the Society on transfer of properties from other Abbeyfield societies.

19. **Recycled Capital Grant Fund**

	2024 £'000	2023 £'000
Balance brought forward	325	-
Grants recycled	-	325
Interest accrued	-	-
Balance carried forward	£325	£325

The entire balance of the RCGF relates to Homes England.

20. **Reserves:**

Movement During The Year	**Opening Balance 01/07/2023** £'000	**Total Comprehensive Income** £'000	**Transfers To/(from) Reserves** £'000	**Closing Balance 30/06/2024** £'000
Unrestricted Reserves				
Designated Reserves	8,540	-	-	8,540
Revenue Reserve	9,557	797	(50)	10,304
Prudential Reserve	850	-	150	1,000
Total Unrestricted Funds	18,947	797	100	19,844
Restricted Funds (Note 21)	4,048	(220)	(100)	3,728
	£22,995	£577	-	£23,572

The Designated Reserve represents those reserves allocated by the Society to ensure its existing operations remain fit for purpose, and to develop new services.

The Prudential Reserve represents the funds necessary to cope with a downturn in the economic environment in which the Society operates, or in a worst-case scenario to allow an orderly liquidation of the Charity.

21. **Restricted Funds**

	Opening Balance 01/07/2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Closing Balance 30/06/2024 £'000
Hatch Mill Garden Fund	17	-	(17)	-	-
Roundhay	10	-	-	-	10
Guildford House Fund	61	-	-	-	61
Disabled Vehicle Fund	1	-	-	-	1
Maitland House Lift Fund	24	-	-	(24)	-
Maitland House Resident Financial Support	47	-	(6)	-	41
David Gresham House Premises Fund	1,000	-	(162)	(21)	817
Gresham Fund	273	-	-	(55)	218
Fixed Assets Fund	2,537	-	(35)	-	2,502
Wey Valley House Staff	78	-	-	-	78
	£4,048	£ -	£(220)	£(100)	£3,728

Restricted Funds

The Roundhay fund was established to support residents who might require additional financial support, and the Guildford House fund was to make life easier for residents who are hard of hearing and for their general comfort in the Guildford Home.

The David Gresham House Premises Fund and Gresham Fund were established as part of the Transfer of Engagements with Abbeyfield North Downs Society. The Premises Fund is to be applied on capital or revenue expenditure while the Gresham Fund is to be applied in supporting residents with payment of their fees.

The Fixed Assets Fund represents that element of the fixed assets of the Society which has been funded by social housing grants received from the government.

The Wey Valley House Staff fund represents a donation received for the benefit of Wey Valley House staff.

22. **Contingent Liabilities**

As part of the transfer of assets by Abbeyfield Reading Society on 1st February 2022, Abbeyfield Wey Valley Society, ("AWVS"), agreed that should it decide to sell the property that had been transferred across, before 1st February 2025, or close down the home or effectively cease to operate it as a care home, then it would have to pay a Compensation Payment to Eventide & Watts (that had written off a loan to Abbeyfield Reading Society of £393,006 at the time of the transfer).

The Compensation Payment would be calculated as follows. 50% of the gross proceeds of the sale of the property less:

- All legal & agency fees incurred by AWVS plus any costs incurred by AWVS in closing the home down,
- The costs of any investments made by AWVS to improve the property, plus the aggregate of the operational losses (if any) incurred in running the home from the 1st February 2022 until the date when either the home is closed or sold as a going concern.

As part of the transfer of assets by Dorking Residential Care Homes on 30th August 2022, Abbeyfield Wey Valley Society, ("AWVS"), agreed that should it decide to sell the property that had been transferred across, before 30th August 2027, or close down the home or effectively cease to operate it as a care home, then it would have to pay a Compensation Payment calculated as below.
Net sales proceeds of any sale following the sale less deduction of:

i. Reasonable & proper costs of sale,
ii. Reasonable and proper closing down costs,
iii. Any proper costs of investments made by AWVS for improvements to the premises & grounds,
iv. Any properly incurred operational losses in respect the provision of care home services at the premises,
v. Any other proper costs incurred by AWVS in respect of the building & grounds which are not included within point iii above.

The net sales proceeds from the above should be divided equally between the Society and such charitable organisation or organisations in the Dorking area to be nominated by Central Surrey Voluntary Action, The Point, Lions Court, RH4 1AB or any successor body or, in the absence of either, Community Foundation for Surrey, charity number 1111600, Company number 5442921.

As part of the transfer of assets by Abbeyfield North Downs Society Limited on 28th April 2023, Abbeyfield Wey Valley Society, ("AWVS"), agreed that should it decide to transfer the premises or any interest in the premises before 28th April 2028 without the prior written consent of the Abbeyfield Society and consent may not be withheld in the case of a sale of the freehold on AWVS ceasing to provide services at the premises if the Abbeyfield Society is satisfied that arrangements have been made such that:
The net sale proceeds of any sale that occurs within 5 years of 28th April 2023, as calculated after the deduction of:

i. Costs of sale,
ii. Closing down costs
iii. Any investments made by AWVS for improvements to the building & grounds not paid for out of the Premises Fund, (see Note 21),
iv. Any operational losses not paid for out of the Premises Fund,
v. The cost of the repayment of the Social Housing Grants, if required
vi. Any other costs incurred by AWVS related to the Premises not paid for out of the Premises Fund

Will be transferred to the Abbeyfield Society.

23. **Capital Commitments**

At 30th June 2024 and 30th June 2023 the Society had no capital commitments.
The Board has approved the budget for the year ended 30th June 2024 which includes capital costs of £655,000 (2023: £502,000).

24. **Employees**

	2024	2023
	£	£'000
Salaries and wages	6,674	5,129
Employers' Social Security costs	557	448
Pensions	306	216
Termination payments	65	2
	£7,602	£5,795

The average number of employees in the period was 333 (2023: 267), which equated to approximately 250 full time equivalent heads (2023: 200).

25. **Payments to Members, Trustees and Officers**

No fees or remuneration were paid during this year or last to any of the Members or Trustees. Expenses reimbursed to Trustees in the current financial year amounted to £583 for travel and subsistence expenses (2023: £866 for reimbursement of meals & horticultural expenses).

The aggregate amount of emoluments, including pension contributions, payable to the Key Management Personnel in the year were £509,846 (2023: £439,049).

The full-time equivalent number of staff whose remuneration payable was more than £60,000 is:

	2024	2023
£120,000 - £130,000	1	1
£100,000 - £110,000	1	-
£90,000 – £100,000	1	-
£80,000 – £90,000	-	1
£70,000 - £80,000	1	-
£60,000 – £70,000	4	3
	8	5

Included within the above were payments to the CEO, being the highest paid employee amounting to £120,558 for the year excluding pension contributions (2023: £112,956).

The CEO is a member of the Society's employee defined contribution scheme. The Society contributes to the CEO's pension at 7% of salary with the CEO contributing 10% of her salary. No special or enhanced terms apply.

26. **Controlling Party**

The Board of Trustees are the ultimate controlling party of the Society.

27. **Units in Management**

	2024	2023
Residential	162	162
Nursing	27	27
Sheltered	22	22
	211	211

There were no acquisitions or disposals of properties during the year, however one property comprising 7 sheltered units was closed with the property to be sold.

28. **Net Assets by fund**

	Unrestricted £'000	Restricted £'000	2024 Total £'000
Fixed Assets	16,835	2,502	19,337
Current Assets	4,207	1,226	5,433
Current Liabilities	(839)	-	(839)
Long Term Liabilities	(359)	-	(359)
Total	£19,844	£3,728	£23,572

	Unrestricted £'000	Restricted £'000	2023 Total £'000
Fixed Assets	17,248	2,537	19,785
Current Assets	2,931	1,511	4,442
Current Liabilities	(873)	-	(873)
Long Term Liabilities	(359)	-	(359)
Total	£18,947	£4,048	£22,995

29. **Reserves:**

Prior Year Movement

	Opening Balance 01/07/2022 £'000	Total Comprehensive Income £'000	Transfers To/(from) Reserves £'000	Closing Balance 30/06/2023 £'000
Unrestricted Funds				
Designated Reserves	8,540	-	-	8,540
Revenue Reserve	1,554	8,003	-	9,557
Prudential Reserve	850	-	-	850
Total Unrestricted Funds	10,944	8,003	-	18,947
Restricted Funds	2,933	1,115	-	4,048
	£13,877	£9,118	£ -	£22,995

Restricted Funds	Opening Balance 01/07/2022 £'000	Income £'000	Expenditure £'000	Closing Balance 30/06/2023 £'000
Hatch Mill Garden Fund	8	9	-	17
Roundhay	10	-	-	10
Guildford House Fund	61	-	-	61
Disabled Vehicle Fund	1	-	-	1
Maitland House Lift Fund	24	-	-	24
Maitland House Resident Financial Support Fund	49	-	(2)	47
David Gresham House Premises Fund	-	1,000	-	1,000
Gresham Fund	-	273	-	273
Fixed Assets Fund	2,780	-	(243)	2,537
Wey Valley House Staff	-	78	-	78
	£2,933	£1,360	£(245)	£4,048

30. Gift on Charity Combination – Prior Year

During the previous year, the Society completed two charity combinations. On 1 September 2022, a Transfer of Engagements was completed with Dorking Residential Care Homes Limited (Registered Society number: 13238R) and on 1 May 2023, a Transfer of Engagements was completed with Abbeyfield North Downs Society. The fair value of the net assets acquired on the transfers is set out below:

	DRCH	ANDS
	£'000	£'000
Housing Properties - Freehold Land and Buildings	3,900	3,500
Fixtures, Fittings & Equipment	4	55
Vehicles	4	-
Investments	156	1,737
Stock	-	6
Debtors	1	39
Cash at Bank and in Hand	24	374
Creditors	(337)	(114)
	£3,752	£5,597
Represented by:		
Unrestricted funds	3,752	4,324
Restricted Funds	-	1,273
	£3,752	£5,597

31. Related Party Transactions

There were no related party transactions during the year, other than those disclosed in note 25.

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

England & Wales - Charity number 1168173

Accounts

Company number: 10259078
Charity number: 1168173

Abbeyfield Wey Valley Society Limited

Financial Statements

For The Year Ended 30th June 2023

Abbeyfield Wey Valley Society Limited

Financial Statements

For The Year Ended 30th June 2023

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Abbeyfield Wey Valley Society Limited

Legal and Administrative Information

Charity number	1168173
Company number	10259078
Registered Provider number	H3294
Principal and registered office	Wey Valley House Mike Hawthorn Drive Farnham Surrey GU9 7UQ
Auditors	Knox Cropper LLP Office Suite 1, Haslemere House Lower Street Haslemere Surrey GU27 2PE
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP
Investment Management	Barclays Wealth and Investment Management Barclays Bank Plc 1 Churchill Place London E14 5HP

Abbeyfield Wey Valley Society Limited

Report of the Board of Trustees

For The Year Ended 30th June 2023

Chairman: Mr Brian Thomas

Vice Chairman: Mrs G Ward

Secretary: Mr D Hutchinson

Other members of the Board of Trustees:

Mr P Duffy - Treasurer	Mr F P Whitlock
Mr I Thomson (resigned 13/03/2023)	Mr T Shepherd
Mr N Grealy (appointed 09/12/2022)	Ms E Edgar (appointed 09/12/2022)
Mr A Dick (appointed 24/05/2023)	Mr P Gresham (appointed 24/05/2023)
Rev. D Magowan (resigned 08/03/2023)	

Senior Management

The Senior Management team in place at the date of the signing of these accounts were:

Ms S Tidy	Chief Executive Officer
Mr J Wigmore	Chief Finance Officer
Ms S Hartley	Chief Operating Officer
Ms L Arnold	Operations Manager
Mr I Looms	Marketing & PR Manager

The Board of Trustees of the Society (and Directors of the Company) present their Report and audited Financial Statements for the year ended 30th June 2023.

Status

The Society is registered as a Charitable Company – Abbeyfield Wey Valley Society Limited (Charitable Number: 1168173 and Company Number: 10259078) and is governed by its Articles of Association. The Society is registered with the Regulator of Social Housing (Homes England) (No. H3294) and six of the Society's homes; Wey Valley House, Hatch Mill, Maitland House, Nower House, David Gresham House and Ridgway Court, together with the CEO, are registered with the Care Quality Commission under the Care Standards Act 2000.

Purpose & principal activity

The principal activity of the Society is to provide accommodation for the relief and care of elderly persons suffering from disabilities of age or otherwise being in need. To this end, the principal activities of the company are the operation of residential care, nursing care, sheltered housing, and domiciliary care services.

Public Benefit

The primary public benefit offered by the Society is the relief of loneliness for the elderly, but more specifically, the benefits provided by the Society include:

- Providing residential accommodation to elderly people who are unable to look after themselves.
- Caring for elderly people who are frail and need long term nursing care.
- Providing sheltered housing to elderly people unable to live on their own.
- Providing domiciliary care to the community.

The Trustees confirm that they have had regard for the Charity Commission's guidance on public benefit.

Abbeyfield Wey Valley Society Limited

Report of the Board of Trustees

For The Year Ended 30th June 2023

Strategic Report:

Objectives of the Society

The long-term objectives of the Society are set by its objects, as per 3.1 of the Articles of Association. The Society is established for the relief and care of an increasing number of elderly persons of all classes, beliefs and nationalities suffering from the disabilities of old age or otherwise in need by the provision and management of housing including social housing, accommodation or assistance for such persons on a not-for-profit basis. The short-term objective is to ensure that the company is viable and to ensure that it can continue to meet its long-term objective.

Measurement of success against aims and objectives

The Trustees have referred to the guidance in the Charity Commission general guidance on public benefit when reviewing the aims and objectives of the Society and in planning its activities and in measuring its success against those aims and objectives. The objects will be principally attained by the provision of nursing care, living assistance, meals and accommodation in the care homes that are run by the Society. The Society measures its success against long-term objectives by the level, quality, range of care provided, and consistently high occupancy levels. Short-term success is measured by achievement of a sustainable net surplus.

As well as the financial position the Society is continually monitoring its performance by the use of questionnaires completed by both sponsors and residents.

Value for money

Through the Trustee structure of the Society, it is able to maintain its fees at a level below that of other providers offering similar levels of care/services in its geographical locality. The Board is therefore very confident that its service users are being offered value for money. The Society's principal funding source is fees paid by our service users, and fees paid on behalf of our service users by County Councils and Care Commissioning Groups. The Society also has a number of volunteers who provide companionship to the Care Home residents on an ad-hoc basis.

Value for Money metrics

In response to the Value for Money Standard issued by the Regulator of Social Housing, the Society reports the required seven Value for Money metrics. The Society has chosen to publish comparatives from The Abbeyfield Society (TAS) – Housing Association Number H1046.

Metric 1 – Reinvestment %

This metric looks at the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held.

The Society did not carry out any major capital expenditure during the year. However it did acquire via merger a 29 bed care home that also has 5 sheltered housing units and a second care home with 44 beds.

Metrics 2 – New supply delivered %

Whilst the Society did not deliver new supply, it merged with two care homes, namely Dorking Residential Care Homes on 1st September 2022 and Abbeyfield North Downs Society on 1st April 2023, as described in Note 30. As a result, it took on a 44 bed property and another 29 bed care home, that also came with 5 sheltered housing units respectively, increasing units in management to 211.

Metrics 3 – Gearing %

The Society's sheltered social housing is all freehold and is owned outright. The Society has one long term loan against one of its care homes, Wey Valley House.

Metrics 4 – Earnings before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %

The only interest paid by the Society relates to the loan identified in Metric 3.

Metric 5 – Headline social housing cost per unit

Metric 6 – Operating Margin %

Metric 7 – Return on capital employed (ROCE) %

This metric compares the operating surplus to total assets less current liabilities.

		Year ended 30/06/2023	Year ended 30/06/2022	Comparator
Metric 1	- Care	**0.5%**	0.0%	
	- Sheltered	**0.0%**	0.2%	
	- Overall	**0.4%**	0.1%	3.4%
Metric 2		**0.0%**	0.0%	0.0%
Metric 3		**(25.1)%**	(18.5)%	(16.2)%
Metric 4		**(14,174.9)%**	(6,349.2)%	(3,409)%
Metric 5	- Care	**£43,650**	£42,652	
	- Sheltered	**£15,715**	£17,328	
	- Overall	**£41,399**	£39,596	£25,757
Metric 6	- Care	**(8.6)%**	(2.5)%	
	- Sheltered	**(59.6)%**	(54.8)%	
	- Overall	**(8.4)%**	(5.9)%	(23.9)%
Metric 7		**(3.0)%**	(2.3)%	(2.9)%

Results for the year

The Financial Statements have been prepared in accordance with the Housing & Regeneration Act 2008 and The Accounting Direction for Private Registered Providers of Social Housing 2022 and the Charities SORP.

The care and management activities of the Society during the year show an operating deficit of £711,465 (2022: £323,857 deficit) on a turnover of £8,450,188 (2022: £5,511,762). After adjusting for net investment returns, and investment and property revaluations, the resulting Net Movement in Funds as identified on the SOFA are a gain of £9,117,382 (2022: gain of £1,045,790).

Within this result, the Home Care business generated a turnover of £186,129 (2022: £197,762).

Donations received in the year amounted to £88,032 (2022: £11,955) The excess of interest receivable over that payable amounted to £49,991 (2022: net interest payable of £1,999).

The impact of COVID -19 was greatly reduced by the beginning of the year and occupancy in most homes increased to pre-pandemic levels. Eventually by the end of the year Maitland House achieved occupancy of 92.9%. However, the year also saw the Society merging with Dorking Residential Care Homes bringing Nower House into the Society's portfolio, Nower House was a falling Care Home graded inadequate by the CQC, with only 50% occupancy and was in need of major investment to ensure its future. Significant expenditure was made and the home is now graded Good by the CQC, but remains a challenge, as voids although greatly reduced from when the Society merged with Dorking Residential Care Homes, are still too high. Further significant expenditure is being made to ensure the home is more appealing not only to the current residents but to potential residents as well.

May of this year also saw the merger with Abbeyfield North Downs Society, bringing David Gresham House, a 29 bedded residential care home with 5 sheltered units, into the Society's portfolio. The home is a successfully run home, with a good rating from the CQC, historically good occupancy levels and no major refurbishment works required.

This deficit for the year was primarily due to poor occupancy rates at Maitland House at the start of the year and the merger with Dorking Residential Care Homes with the investment then made on Nower House. Agency costs for temporary staff also had a major impact on the year's deficit, with employment of our own staff struggling following the pandemic and Brexit. This was very slow to improve but saw an increase in our own staff towards the end of the year.

Fixed Assets
Additions and disposals of fixed assets together with movements in the associated depreciation provisions are set out in Note 11. The Board are satisfied that the value of its housing stock is in line with the net book value of the underlying fixed assets. The net book value of the Society's land and building assets at the 30th June 2023 was £15.8 million. Associated with these assets are historic Social Housing Grants which are identified in Note 18 and amount to £3.43 million.

Investments
The Society continues to hold investments managed by Barclays Wealth in one of their Charity Unit trusts. Details of movements within the investment can be found in Note 12. The Society had a better 22/23 financial year than the previous year and minimised its portfolio losses.

Equality and Diversity policy
The Society has a robust Equality and Diversity Policy which promotes awareness and defines appropriate training to enable staff to recognise and avoid discrimination, harassment, victimisation and promote equal opportunities.

Job applicants will not be asked about health or disability before a job offer is made, except in the very limited circumstances allowed by law, for example, to check that the applicant can perform intrinsic parts of the role they are applying for, (E.g. heavy lifting - taking account of any reasonable adjustments), or to see if any reasonable adjustments can be made prior to employment.

The Society is responsive to the needs of its employees and as such will always actively seek to make reasonable workplace adjustments should any employee of the Society become disabled during employment.

The Society appreciates that members of staff may be neurodivergent and will endeavour to ensure that neurodivergent employees are not treated unfairly or suffer any detriment due to their neurodivergence.

Mandatory training on Equality and Diversity is undertaken by all staff annually.

Post Balance Sheet Events

Kemnal House, the Society's 7 bed sheltered house in Haslemere was closed in November 2023 due to falling interest in the accommodation, difficulty in finding residents and major refurbishment costs that were required.

Reserves Policy

The Charity Commission expects that all charities have plans to spend the money that they receive for charitable purposes. However, they also expect charities to hold reserves to meet specific longer-term charitable purposes, and also to mitigate the risks inherent in their businesses. The Trustees believe that the Society requires adequate reserves:

1. To address the possibility of a rapid downturn in occupancy level which would adversely affect our income generation. Thus, a reserve would be needed to allow for a restructuring of the Society.
2. To enable an orderly liquidation in the most unlikely event of the Society needing to cease operation.
3. To ensure its existing operations remain fit for purpose, and to ensure the financial flexibility to develop new services in existing and potentially new locations.
4. The Society, in line with its charitable objectives, intends to ensure that its services are available to those in need.

The Balance Sheet shown in these financial statements, and also shown in Note 28, shows the Society to have total funds of £22,994,810 at 30th June 2023. Of this balance, £4,048,463 is held in restricted funds as identified in Note 21 to the accounts.

A 'Designated Reserve' is held at £8,539,803 to cover item 3.

Finally, in order to adequately perform its charitable purposes, identified in 4 above, the Society holds a 'Revenue Reserve' at the 30th June 2023 of £9,556,544. These reserves, together with those reserves gained from historical mergers are held within the Fixed Assets of the Society together with those net current assets not already allocated to the 'Prudential Reserve' and the 'Designated Reserve'.

The Trustees review Reserve balances annually to ensure they are adequate, and that they are held in appropriate asset types.

Future Plans

The Society will continue to use its cash resources and operational expertise to make improvements to Nower House, with the aim to increase occupancy to the level of the Society's other homes.

Following the merger with Abbeyfield North Downs, the Society will continue to embed David Gresham House into the Society.

The Society also plans a significant extension to Wey Valley House, to modernise and increase the number of rooms, to ensure it remains competitive in today's market and 'fit for the future' – The works will provide new rooms with en-suite walk in showers, an upgraded lift, new seating areas and a new hairdressing salon.

Abbeyfield Wey Valley Society Limited

Report of the Board of Trustees

For The Year Ended 30th June 2023

Organisation Structure

The members of the Board of Trustees have overall responsibility for ensuring that the Society has appropriate systems of control, care, financial and otherwise. The systems of financial control are designed to provide reasonable, but not absolute, assurance against any material financial misstatement, especially of loss. They include an annual budget, approved by the Board of Trustees, regular review of actual results and variances from budget, and delegation of authority and segregation of duties as far as possible given staffing levels. The Board meets eight times a year.

The Society operates two separate sub-committees corresponding to the core areas of the Society's business; namely Care and Finance. Each is headed by a trustee and reports directly to the Board of Trustees. These sub-committees meet at least four times a year.

The Chair of each sub-committee and the Board Chair form the Remuneration Committee which (usually) meets once a year to agree Management pay setting for the upcoming year. No Trustees are paid for their services although expenses incurred in the course of their duties are encouraged to be claimed.

The Society has a very strong and effective Board of Trustees. We maintain a matrix of people against needed skills and experience. The Trustees are thus able to consider all issues coming before them in a proper manner, but consultants are used where particular specialist advice is required.

Trustees are usually recommended to us or come forward as volunteers, though it is becoming increasingly difficult to find suitable individuals who are prepared to take on the responsibility involved. We would welcome trustees of any gender, sexual orientation, or ethnic background but sadly at the present time we have no-one from one of the minority communities. This is probably due to the demographic makeup of the local area.

All new trustees are interviewed by the Chairman, Vice-Chairman and Chief Executive prior to appointment. They then have an induction programme of at least a day. The aforementioned three people monitor the performance of the Board on a continuous basis and equally the trustees are encouraged to provide feedback to the Chairman and Vice Chairman on their performance.

Risk management

The Board of Trustees formally monitors risks annually and sets up policies to mitigate them.

The members of the Board of Trustees are committed to ensuring that the Society's system of internal controls is adequate and effective. A number of steps have been taken to enhance further the existing systems of internal control. These include:

a) A progressive revision and upgrade of risk management arrangements; and
b) A review of the Operational Risk Assessment programme to incorporate both qualitative and compliance review of all of the Society's activities.

The Society maintains an Assets & Liabilities register, and completes an annual Stress Test of the Society's financial strength. Both have given further confidence to the Trustees that the Society is in a strong position to continue its service and meet its public benefit for the foreseeable future.

Health and safety

The Society is aware of its responsibilities on matters relating to health and safety. The Society has prepared detailed health and safety policies and provides regular training and education on health and safety matters.

Statement of the Board of Trustees Responsibilities

The Charities Act 2011 and Companies Act 2006, and Registered Social Housing legislation requires the Board to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Society as at the end of that financial period and of the surplus or deficit of the Society for the period ended on that date. In preparing these financial statements suitable accounting policies have been used, framed to the best of the Board's knowledge and belief, by reference to reasonable and prudent judgments and estimates and applied consistently. Applicable UK accounting standards and statements of recommended practice have been followed. The Board is also required to indicate where the financial statements are prepared other than on the basis that the Society is a going concern.

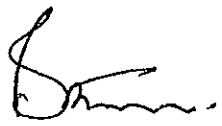
The Board of Trustees is responsible for ensuring the keeping of proper books of account which disclose with reasonable accuracy at any time the financial position of the Society and which enable them to ensure that the accounts comply with the Charities Act 2011 , the Companies Act 2006, the Housing & Regeneration Act 2008 and The Accounting Direction for Private Registered Providers of Social Housing 2022. They are responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to Auditors

So far as each Member of the Board is aware at the time the report is approved:

- There is no relevant audit information of which the company's auditors are unaware, and
- The Board members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Signed on behalf of the Board



Mr Brian Thomas: Chairman

Dated: 26.....March 2024

Independent Auditors' Report to the Members

of Abbeyfield Wey Valley Society Limited

Opinion

We have audited the financial statements of Abbeyfield Wey Valley Society Limited (the 'Society') for the year ended 30th June 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Society's affairs as at 30th June 2023 and of its income and expenditure, including its result, 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, 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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the Society 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 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the Society and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees
As explained more fully in the Statement of Trustees Responsibilities set out on page seven, the trustees (who are also the directors of the Society for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Society which have a direct impact on the financial statements and determined that the most significant are the

Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Companies Act 2006 and Standards issued by the Regulator of Social Housing.

- We understood how the Society is complying with those frameworks via communication with those charged with governance, together with the review of the Society's documented policies and procedures.
- We assessed the susceptibility of the Society's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. These included risks associated with revenue recognition, management override of controls and the increased incentive and pressure to commit fraud due to the Covid-19 environment, which were discussed and agreed by the audit team.
- Our approach included agreeing the Society's recognition of income to the terms of the underlying contract, the review of journal entries processed in the accounting records and the investigation of significant and unusual transactions identified from our review of the accounting records, and the review of government support scheme grants received to ensure they were not fraudulently claimed.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the Society.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the Society's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Elkins FCA (Senior Statutory Auditor)
Knox Cropper LLP
Chartered Accountants and Statutory Auditors
Office Suite 1, Haslemere House
Lower Street
Haslemere
Surrey GU27 2PE

Dated: ....26.....March 2024

Abbeyfield Wey Valley Society Limited

Statement of Financial Activities (Incorporating the Income and Expenditure Account)

For The Year Ended 30th June 2023

	Notes	2023 Unrestricted funds £	2023 Restricted funds £	2023 Total funds £	2022 Unrestricted funds £	2022 Restricted funds £	2022 Total funds £
Income from							
Donations and grants	3	3,873	87,546	91,419	11,955	139,076	151,031
Charitable Activities	4	8,355,897	-	8,355,897	5,357,633	-	5,357,633
Investments	5	125,249	-	125,249	43,998	-	43,998
Other Trading Activities	6	2,872	-	2,872	3,098	-	3,098
Other		-	-	-	-	-	-
Gift on Charity Combination	30	8,076,141	1,272,973	9,349,114	1,388,641	94,703	1,483,344
		16,564,032	1,360,519	17,924,551	6,805,325	233,779	7,039,104
Expenditure on							
Raising Funds	9	9,085	-	9,085	9,846	-	9,846
Charitable Activities	7	9,116,098	36,470	9,152,568	5,625,519	200,254	5,825,773
		9,125,183	36,470	9,161,653	5,632,135	200,254	5,832,389
Gains/(losses) on revaluation of investments		(3,222)	-	(3,222)	(157,695)	-	(157,695)
Gain on sale of property		566,300	(208,594)	357,706			
Net income/(expenditure) and net movement in funds		8,001,927	1,115,455	9,117,382	1,012,265	33,525	1,045,790
Funds brought forward 1st July 2022		10,944,420	2,933,008	13,877,428	9,932,155	2,899,483	12,831,638
Funds carried forward 30th June 2023		18,946,347	4,048,463	22,994,810	10,944,420	2,933,008	13,877,428

Abbeyfield Wey Valley Society Limited

Balance Sheet

At 30th June 2023

	Notes	2023	2022
		£	£
Tangible Fixed Assets			
Housing Properties at Depreciated Cost	11	15,772,717	10,195,195
Vehicles	11	16,417	17,683
Fixtures, fittings and equipment	11	244,523	122,860
Investments	12	3,750,855	1,953,450
		19,784,512	12,289,188
Current Assets			
Stocks	13	12,144	6,005
Trade and Other Debtors	14	429,487	266,233
Cash and Cash Equivalents	15	4,000,992	1,925,289
		4,442,623	2,197,527
Current Liabilities			
Creditors: amounts falling due within one year	16	873,261	574,494
Net Current Assets		3,569,362	1,623,033
Total Assets less Current Liabilities		23,353,874	13,912,221
Long Term Liabilities			
Creditors: amounts falling due after one year	17	359,064	34,793
Total Net Assets		£22,994,810	£13,877,428
Funds			
Unrestricted Funds	20	18,946,347	10,944,420
Restricted Funds	21	4,048,463	2,933,008
Total Funds		£22,994,810	£13,877,428

The Financial Statements were approved at the Board of Trustees meeting on 25 March 2024, and signed on its behalf by:

Mr B Thomas – Chairman

Mr P Duffy – Treasurer

Abbeyfield Wey Valley Society Limited

Statement of Cash Flows

For The Year Ended 30th June 2023

	Notes	2023	2022
		£	£
Net Cash Generated From Operating Activities	A	(256,813)	(21,685)
Cash Flows From Investing Activities			
Purchase of property components		(66,362)	(7,250)
Purchase of other fixed assets		(147,474)	(64,424)
Purchase of fixed asset investments		-	(1,197,158)
Proceeds from sale of fixed assets		2,370,740	5,389
Disposal of investments (Note 11)		162,289	4,625
Investment income		34,183	1,330
Investment management fees		(7,939)	(6,385)
Movement in cash held in investments		(9,237)	(3,473)
Total Cashflows From Investing Activities		2,336,200	(1,267,346)
Cash Flows From Financing Activities			
Interest paid		(3,295)	(3,329)
Repayment of Loans		(389)	(1,224)
		(3,684)	(4,553)
Net Change In Cash And Cash Equivalents		2,075,703	(1,293,584)
Cash And Cash Equivalents At Beginning Of The Year		1,925,289	3,218,873
Cash And Cash Equivalents At End Of The Year	B	£4,000,992	£1,925,289

A	**Cash Flows From Operating Activities**		
	Net (expenditure)/income for the year	9,117,382	1,045,790
	Depreciation	291,311	259,779
	Investment Income and Interest Receivable	(125,249)	(43,998)
	Interest Payable	3,295	3,329
	Non-cash gift on charity combination	(8,950,648)	(1,439,464)
	(Increase)/decrease in Stock	(99)	-
	(Increase)/decrease in Debtors	(92,470)	(146,974)
	Increase/(decrease) in Creditors	(153,790)	136,735
	(Gain)/loss on sale of assets	(357,706)	(962)
	(Gains)/losses on investments	3,222	157,695
	Investment management fees	7,939	6,385
		£(256,813)	£(21,685)
B	**Cash and Cash Equivalents**		
	Bank Balances	4,000,992	1,925,289
		£4,000,992	£1,925,289

Analysis Of Changes In Net Debt	**At 1st July 2022**	**Cash Flows**	**At 30th June 2023**
	£	£	£
Cash	1,925,289	2,075,703	4,000,992
Loans falling due within one year	(350)	-	(350)
Loans falling due in more than one year	(34,793)	389	(34,404)
	£1,890,146	2,075,703	£3,966,238

1. **Status of the Society**

The Society is a private company limited by guarantee registered under the Companies Act 2006 (Registered Number 10259078) in England & Wales and the Charities Act 2011 (Registered Number 1168173). The Society is also registered under the Housing & Regeneration Act 2008 (Regulator of Social Housing number H3294). The Society's registered office address and a description of the nature of the Society's operations can be found in the Report of the Trustees.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Society's accounts.

2.1 **Basis of Accounting and Assessment of Going Concern:**

The financial statements have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) Second Edition, the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Abbeyfield Wey Valley Society Limited is a public benefit entity and applies FRS 102 accordingly. The accounts comply with the Companies Act 2006, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing in England 2022.

The accounts have been prepared in £GBP sterling, which is the functional currency of the Society. Monetary amounts in these financial statements are rounded to the nearest £.

The Trustees consider there are no material uncertainties about the Society's ability to continue as a going concern.

2.2 **Fixed Assets – Housing Land and Buildings**

Housing land and buildings are stated at cost. The cost of properties is their purchase price together with incidental costs of acquisition including interest payable. Interest payable is capitalised by applying the Society's cost of borrowing to expenditure during the construction or refurbishment of any property up to the date of practical completion. Additionally, any professional fees incurred in the construction or refurbishment of any property are also capitalised cost.

In accordance with paragraph 17.16 of FRS 102, properties are accounted for on a component cost basis. In the absence of more precise information, the value of each component has been established using a matrix agreed between the National Housing Federation and the Institute of Chartered Accountants of England & Wales, with the exception of the Hatch Mill redevelopment of 2012 for which component information was available.

2.3 **Social Housing Grant**

Where developments have been financed wholly or partially by Social Housing Grant, the grant is recognised as income when received or receivable in accordance with the performance model. Social Housing Grant may be repayable in certain circumstances including the sale of the property or a change in its use.

2.4 **Fixed Assets: Fixtures, Fittings and Equipment**

Assets donated to the Society are not included in the balance sheet. Other assets are included at cost. Only assets purchased with a cost greater than £1,000 are capitalised.

2.5 **Loan Finance Costs**

Costs incurred in the securing and raising of loan finance are amortised over the period of the loan.

2.6 **Income**

All income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income can be measured reliably.

Turnover represents fees receivable, and income from care at home services which are recognised in the period to which they relate.

Monetary donations to the Society are credited to the Statement of Financial Activities when it is probable that they will be received. Grants, including government grants, are measured using the performance model and are credited to the Statement of Financial Activities when it is probable that they will be received and any conditions have been satisfied.

2.7 **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Society to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Resources expended includes irrecoverable VAT.

2.8 **Depreciation**

The cost of completed Housing Properties (net of the cost of land) is depreciated over the life of the properties. Properties are accounted for on a component cost basis with each component being depreciated over its estimated useful life. The principal components and the depreciation rate applied to each component are set out below:

	Years		Years
Land	n/a	Kitchen	20
Main Structure & Fabric	100	Bathroom/W.C.	30
Roof & Covering	70	Heating/ventilation/plumbing	30
Windows and External Doors	30	Electrics	40
Gas Boilers	15	Lift	20
Grounds and gardens	15	Internal structures	20

- Leasehold Land is amortised over the term of the 125 year lease which began in 1983.
- Fixtures, fittings & equipment are depreciated over a 5 year life on a straight line basis.
- Computer equipment is depreciated over a 3 year life on a straight line basis.
- Vehicles are depreciated on a 25% reducing balance basis.

A full year's depreciation is charged on fixed assets in the year of purchase, with no charge applied in the year of disposal. Assets in the course of construction are not depreciated until they are brought into use.

2.9 **Stocks**

Stocks are valued at the lower of cost or net realisable value, and primarily comprise of food stocks and cleaning materials.

2.10 **Investments**

Over 99% of the Society's investments are in unit trusts. Initially they are recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market price. The statement of financial activities includes the net gains and losses arising on the revaluations and disposals throughout the year.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

2.11 **Debtors and creditors**

Trade and Other Debtors are classified as basic financial instruments and are measured and recorded in the accounts at the initial transaction price.
Debtors and Creditors are subsequently measured at amortised cost using the effective interest rate method. Financial assets classified as receivable within one year and financial liabilities classified as payable within one year are not amortised.

2.12 **Corporation Tax and VAT**

The Society has charitable status and is exempt from Corporation Tax. The Society is not registered for VAT. No VAT is charged to residents and expenditure in the Statement of Financial Activities includes the relevant VAT.

2.13 **Pensions**

The Society used to operate a pension scheme for employees which meets the requirements of being a Qualifying Workplace Pension Scheme. The scheme was administered and operated by Standard Life Assurance Company which holds the assets of the scheme. It was a voluntary defined contribution scheme which is closed to new members. The Society additionally operates an auto-enrolment pension scheme which is operated through the National Employment Savings Trust (NEST) with both employees and the Society paying contributions monthly to NEST on a percentage of 'Qualifying Earnings' basis. Following the two most recent mergers, the Society also has schemes with NOW: Pensions and The People's Pension. These two schemes operate in a similar fashion to NEST.

2.14 **Significant Management Judgements and Estimation Uncertainties**

Impairment:

Properties are assessed for impairment when there is an indication that the property has been impaired. This includes properties in the course of development. The assessment is carried out by comparing the carrying value of the property with its recoverable amount (taking into account service potential), and, where applicable, the property is written down to its recoverable amount.

Depreciation:

The depreciation of property components is based on management's estimate of their useful lives which is kept under review.

Doubtful Debts provision:

The provision for doubtful debts is based on management's estimate of the recoverability of residents' arrears. No provision for doubtful debts is thought to be needed at 30th June 2023.

3. Income from donations and grants	2023 £	2022 £
Covid-related Fund Grants	3,387	139,076
Donations and bequests	88,032	11,955
Total Income from donations and grants	£91,419	£151,031

Covid-related Fund Grants represents government grants received to support the Society through the Covid19 pandemic. There are no unfulfilled conditions or contingencies related to government grants.

4. Income from charitable activities		
Gross fees from accommodation services	9,352,658	6,033,591
Less voids	(1,182,890)	(873,720)
Net fees receivable from accommodation services	8,169,768	5,159,871
Home Care activities	186,129	197,762
Net fees from all activities	£8,355,897	£5,357,633

5. Investment income		
Interest on funds on call and short notice	53,286	1,330
Accumulated Income	60,593	42,668
Portfolio dividends and interest	11,370	-
Total Investment Income	£125,249	£20,593

6. Income from Other Trading Activities		
Fundraising events	2,872	3,098
Total Income from Other Trading Activities	£2,872	£3,098

7. Expenditure on charitable activities

	2023	2022
	£	£
Employee costs, agency staff and training	6,580,990	3,924,764
Catering	417,495	257,190
Other care expenses	225,785	137,326
Establishment expenses	369,926	235,024
Repairs and maintenance	449,237	353,925
Vehicle costs	11,643	7,646
Depreciation and amortisation	291,311	259,782
Residents' amenities	56,337	35,189
Interest payable	3,295	3,329
Debt provision and write-offs	56,677	34,335
Disposal of assets	-	(962)
Development costs	-	37,762
General management expenses	252,645	210,603
Support costs (Note 8)	437,227	329,860
Total expenditure on charitable activities	£9,152,568	£5,825,773

8. Support costs

	2023	2022
	£	£
Employee costs	183,298	142,932
Administration costs	156,980	128,872
Payroll fees	12,173	9,403
Professional fees	62,184	36,663
Auditors' remuneration	22,592	11,990
Total support costs	£437,227	£329,860

Remuneration payable to the auditors for the auditing of the accounts, excluding VAT, amounted to £11,450 (2022: £12,000).

9. Raising Funds

	2023	2022
	£	£
Investment management fees	7,939	6,385
Costs of fundraising events	1,146	3,461
Total Raising Funds	£9,085	£9,846

10. **Particulars of turnover, operating costs and operating surplus**

2023	Care Homes	Housing	Home Care	Other	TOTAL
Fees at full occupancy	8,992,684	-	-	-	8,992,684
Home Care fees	-	-	186,129	-	186,129
Other income (grants/donations)	3,387	-	-	90,904	94,291
Rental income at full occupancy	-	108,352	-	-	108,352
Service charges	-	251,622	-	-	251,622
Gross income (before voids)	8,996,071	359,974	186,129	90,904	9,633,078
Voids	(1,006,087)	(176,803)	-	-	(1,182,890)
Net incomes (after voids)	7,989,984	183,171	186,129	90,904	8,450,188
Direct Costs	(8,199,081)	(241,954)	(168,698)	(9,085)	(8,618,818)
Surplus/(deficit) before central overhead	(209,097)	(58,783)	17,431	81,819	(168,630)
Central overhead allocation	(475,680)	(50,366)	(16,789)	-	(542,835)
Operating surplus/(deficit)	(684,777)	(109,149)	642	81,819	(711,465)

10. **Particulars of turnover, operating costs and operating surplus (continued)**

2022	Care Homes	Housing	Home Care	Other	TOTAL
Fees at full occupancy	5,716,946	-	-	-	5,716,946
Home Care fees	-	-	197,762	-	197,762
Other income (grants/donations)	139,076	-	-	11,955	151,031
Rental income at full occupancy	-	80,895	-	-	80,895
Service charges	-	238,849	-	-	238,849
Gross Income (before voids)	5,856,022	319,744	197,762	11,955	6,385,483
Voids	(812,343)	(61,378)	-	-	(873,721)
Net incomes (after voids)	5,043,679	258,366	197,762	11,955	5,511,762
Direct Costs	(4,836,954)	(403,593)	(196,263)	-	(5,436,810)
Surplus/(deficit) before central overhead	206,725	(145,227)	1,499	11,955	74,952
Central overhead allocation	(333,539)	(53,403)	(11,867)	-	(398,809)
Operating surplus/(deficit)	(126,814)	(198,630)	(10,368)	11,955	(323,857)

11. Tangible Fixed Assets

	Freehold Land & Buildings £	Long Leasehold Land £	Long Leasehold Buildings £	Work in Progress	Sub Total Land & Buildings £	Fixtures Fittings & Equipment £	Vehicles £	Total £
Cost								
At 1st July 2022	10,626,632	69,048	1,817,773	-	12,513,453	782,077	62,273	13,357,803
Additions	7,433,740	-	13,140	19,482	7,466,362	207,257	3,985	7,677,604
Disposals	(1,764,019)	-	-	-	(1,764,019)	(36,158)	-	(1,800,177)
At 30th June 2023	16,296,353	69,048	1,830,913	19,482	18,215,796	953,176	66,258	19,235,230
Depreciation								
At 1st July 2022	1,640,900	21,952	655,406	-	2,318,258	659,217	44,590	3,022,065
Charge for the year	175,936	552	28,343	-	204,831	81,229	5,251	291,311
On disposal	(80,010)	-	-	-	(80,010)	(31,793)	-	(111,803)
At 30th June 2023	1,736,826	22,504	683,749	-	2,443,079	708,653	49,841	3,201,573
Net Book Amount								
At 30th June 2022	£8,985,732	£47,096	£1,162,367	-	£10,195,195	£122,860	£17,683	£10,335,738
At 30th June 2023	£14,559,527	£46,544	£1,147,164	£19,482	£15,772,717	£244,523	£16,417	£16,033,657

Note (a) A loan from Orchardbrook Limited of £34,754 (2022: £35,143) is secured on the long leasehold property.

Included within Freehold Land & Buildings is land of £3,020,000 (2022: £1,420,000) which is not depreciated.

		2023	2022
		£	£
12.	**Investments**		
	Balance brought forward	1,953,450	872,471
	Additions	1,788,395	1,197,158
	Accumulated income	60,593	42,668
	Disposals	(157,959)	(4,650)
	Unrealised gains/(losses)	(7,552)	(157,670)
	Movement in cash	113,928	3,473
		£3,750,855	£1,953,450
	Within the above are:		
	Investments at fair value through net income	3,632,252	1,948,775
	Cash held by investment managers	118,603	4,675
		£3,750,855	£1,953,450
13.	**Stocks**		
	Household supplies	£12,144	£6,005
14.	**Trade and Other Debtors**		
	Residents' fees	241,668	167,077
	Less provision for doubtful debts	-	-
		241,668	167,077
	Other debtors	12,179	2,347
	Prepayments and accrued income	175,640	96,809
		£429,487	£266,233
15.	**Cash and Cash Equivalents**		
	COIF Deposit Account	-	1,230,396
	Bank accounts	3,999,097	695,083
	Cash in hand	1,895	3,040
		£4,000,992	£1,928,519

16. **Creditors: Amounts falling due within one year**

	2023	2022
	£	£
Amount due on Orchardbrook Limited Loan (Note 17)	350	350
Trade creditors	212,894	171,434
Social Security and PAYE	154,301	94,514
Other creditors	101,916	77,991
Accruals and deferred Income	403,800	230,205
	£873,261	£574,494

17. **Creditors: amounts falling due after one year**

		2023	2022
Recycled Capital Grant Fund	Note 19	324,660	-
Loan from Orchardbrook Limited	Note (a)	34,404	34,793
		£359,064	£34,793

Note (a) A 60 year loan taken out in 1986 to help fund the development of Wey Valley House. Interest is fixed at 9.5% and is secured by a legal charge over Wey Valley House.

18. **Social Housing Grant**

	2023	2022
	£	£
Aggregate amount received		
At 1st July 2022	3,752,630	3,752,630
Grant recycled to RCGF	(324,660)	-
At 30th June 2023	£3,427,970	£3,752,630
Released to SOFA		
At 1st July 2022	3,752,630	3,752,630
Grant recycled to RCGF	(324,660)	-
At 30th June 2023	£3,427,970	£3,752,630
Net Book Amount		
At 30th June 2022	£ -	£ -
At 30th June 2023	£ -	£ -

In addition to the above grants received by the Society, a total of £1,490,603 social housing grants have been assumed by the Society on transfer of properties from other Abbeyfield societies.

19. **Recycled Capital Grant Fund**

	2023 £	2022 £
Balance brought forward	-	-
Grants recycled	324,660	-
Interest accrued	-	-
Balance carried forward	£324,660	£ -

The entire balance of the RCGF relates to Homes England.

20. **Reserves:**

Movement During The Year	**Opening Balance 01/07/2022** £	**Total Comprehensive Income** £	**Transfers To/(from) Reserves** £	**Closing Balance 30/06/2023** £
Unrestricted Reserves				
Designated Reserves	8,539,803	-	-	8,539,803
Revenue Reserve	1,554,617	8,001,927	-	9,556,544
Prudential Reserve	850,000	-	-	850,000
Total Unrestricted Funds	10,944,420	8,001,927	-	18,946,347
Restricted Funds (Note 21)	2,933,008	1,115,455	-	4,048,463
	£13,877,428	£9,117,382	-	£22,994,810

The Designated Reserve represents those reserves allocated by the Society to ensure its existing operations remain fit for purpose, and to develop new services.

The Prudential Reserve represents the funds necessary to cope with a downturn in the economic environment in which the Society operates, or in a worst-case scenario to allow an orderly liquidation of the Charity.

21. **Restricted Funds**

	Opening Balance 01/07/2022 £	Income £	Expenditure £	Closing Balance 30/06/2023 £
Hatch Mill Garden Fund	8,299	9,201	-	17,500
Roundhay	10,000	-	-	10,000
Guildford House Fund	60,670	-	-	60,670
Disabled Vehicle Fund	950	-	-	950
Maitland House Lift Fund	24,425	-		24,425
Maitland House Resident Financial Support	49,078	-	(2,190)	46,888
David Gresham House Premises Fund	-	1,000,000	-	1,000,000
Gresham Fund	-	272,973	-	272,973
Fixed Assets Fund	2,779,586	-	(242,874)	2,536,712
Wey Valley House Staff	-	78,345	-	78,345
	£2,933,008	£1,360,519	£(245,064)	£4,048,463

Restricted Funds

The Roundhay fund was established to support residents who might require additional financial support, and the Guildford House fund was to make life easier for residents who are hard of hearing and for their general comfort in the Guildford Home.

The David Gresham House Premises Fund and Gresham Fund were established as part of the Transfer of Engagements with Abbeyfield North Downs Society. The Premises Fund is to be applied on capital or revenue expenditure while the Gresham Fund is to be applied in supporting residents with payment of their fees.

The Fixed Assets Fund represents that element of the fixed assets of the Society which has been funded by social housing grants received from the government.

The Wey Valley House Staff fund represents a donation received for the benefit of Wey Valley House staff.

22. **Contingent Liabilities**

As part of the transfer of assets by Abbeyfield Reading Society on 1st February 2022, Abbeyfield Wey Valley Society, ("AWVS"), agreed that should it decide to sell the property that had been transferred across, before 1st February 2025, or close down the home or effectively cease to operate it as a care home, then it would have to pay a Compensation Payment to Eventide & Watts (that had written off a loan to Abbeyfield Reading Society of £393,006 at the time of the transfer).

The Compensation Payment would be calculated as follows. 50% of the gross proceeds of the sale of the property less:

- All legal & agency fees incurred by AWVS plus any costs incurred by AWVS in closing the home down,
- The costs of any investments made by AWVS to improve the property, plus the aggregate of the operational losses (if any) incurred in running the home from the 1st February 2022 until the date when either the home is closed or sold as a going concern.

As part of the transfer of assets by Dorking Residential Care Homes on 30th August 2022, Abbeyfield Wey Valley Society, ("AWVS"), agreed that should it decide to sell the property that had been transferred across, before 30th August 2027, or close down the home or effectively cease to operate it as a care home, then it would have to pay a Compensation Payment calculated as below.
Net sales proceeds of any sale following the sale less deduction of:

i. Reasonable & proper costs of sale,
ii. Reasonable and proper closing down costs,
iii. Any proper costs of investments made by AWVS for improvements to the premises & grounds,
iv. Any properly incurred operational losses in respect the provision of care home services at the premises,
v. Any other proper costs incurred by AWVS in respect of the building & grounds which are not included within point iii above.

The net sales proceeds from the above should be divided equally between the Society and such charitable organisation or organisations in the Dorking area to be nominated by Central Surrey Voluntary Action, The Point, Lions Court, RH4 1AB or any successor body or, in the absence of either, Community Foundation for Surrey, charity number 1111600, Company number 5442921.

As part of the transfer of assets by Abbeyfield North Downs Society Limited on 28th April 2023, Abbeyfield Wey Valley Society, ("AWVS"), agreed that should it decide to transfer the premises or any interest in the premises before 28th April 2028 without the prior written consent of the Abbeyfield Society and consent may not be withheld in the case of a sale of the freehold on AWVS ceasing to provide services at the premises if the Abbeyfield Society is satisfied that arrangements have been made such that:
The net sale proceeds of any sale that occurs within 5 years of 28th April 2023, as calculated after the deduction of:

i. Costs of sale,
ii. Closing down costs
iii. Any investments made by AWVS for improvements to the building & grounds not paid for out of the Premises Fund, (see Note 21),
iv. Any operational losses not paid for out of the Premises Fund,
v. The cost of the repayment of the Social Housing Grants, if required
vi. Any other costs incurred by AWVS related to the Premises not paid for out of the Premises Fund

Will be transferred to the Abbeyfield Society.

The contingent liability at 30th June 2022 was in regards to the Abbeyfield Reading Society as noted above.

23. **Capital Commitments**

At 30th June 2023 and 30th June 2022 the Society had no capital commitments.
The Board has approved the budget for the year ended 30th June 2023 which includes capital costs of £502,000 (2022: £176,000).

24. **Employees**

	2023	2022
	£	£
Salaries and wages	5,128,960	3,162,198
Employers' Social Security costs	448,244	256,032
Pensions	215,380	146,933
Termination payments	1,960	8,500
	£5,794,544	£3,573,633

The average number of employees in the period was 267 (2022: 182), which equated to approximately 200 full time equivalent heads (2022: 136).

25. **Payments to Members, Trustees and Officers**

No fees or remuneration were paid during this year or last to any of the Members or Trustees. Expenses reimbursed to Trustees in the current financial year amounted to £866 for reimbursement of meals & horticultural expenses (2022: £270 for travel expenses).

The aggregate amount of emoluments, including pension contributions, payable to the Key Management Personnel in the year were £384,424 (2022: £417,132).

The full-time equivalent number of staff whose remuneration payable was more than £60,000 is:

	2023	2022
£120,000 - £130,000	1	-
£90,000 – £100,000	-	1
£80,000 – £90,000	1	1
£60,000 – £70,000	2	-
	4	2

Included within the above were payments to the CEO, being the highest paid employee amounting to £112,956 for the year excluding pension contributions (2022: £97,885).

The CEO is a member of the Society's employee defined contribution scheme. The Society contributes to the CEO's pension at 7% of salary with the CEO contributing 8% of her salary. No special or enhanced terms apply.

26. **Controlling Party**

The Board of Trustees are the ultimate controlling party of the Society.

27. **Units in Management**

	2023	2022
Residential	162	89
Nursing	27	27
Sheltered	22	25
	211	141

During the year, the Society acquired properties from Abbeyfield North Downs Society and Dorking Residential Care Homes increasing the number of Residential beds by 29 and 44 respectively, with the Abbeyfield North Downs Society home also coming with 5 Sheltered units and the Society sold its Castle Gate property, reducing Sheltered units by 8.

28. **Net Assets by fund**

	Unrestricted £	Restricted £	2023 Total £
Fixed Assets	17,247,800	2,536,712	19,784,512
Current Assets	2,930,872	1,511,751	4,442,623
Current Liabilities	(873,261)	-	(873,261)
Long Term Liabilities	(359,064)	-	(359,064)
Total	£18,946,347	£4,048,463	£22,994,810

	Unrestricted £	Restricted £	2022 Total £
Fixed Assets	9,509,602	2,779,586	12,289,188
Current Assets	2,044,105	153,422	2,197,527
Current Liabilities	(574,494)	-	(574,494)
Long Term Liabilities	(34,793)	-	(34,793)
Total	£10,944,420	£2,933,008	£13,877,428

29. **Reserves:**

Prior Year Movement	**Opening Balance 01/07/2021** £	**Total Comprehensive Income** £	**Transfers To/(from) Reserves** £	**Closing Balance 30/06/2022** £
Unrestricted Funds				
Designated Reserves	8,539,803	-	-	8,539,803
Revenue Reserve	542,352	1,012,265	-	1,554,617
Prudential Reserve	850,000	-	-	850,000
Total Unrestricted Funds	9,932,155	1,012,265	-	10,944,420
Restricted Funds	2,899,483	(33,525)	-	2,933,008
	£12,831,638	£1,045,790	£ -	£13,877,428

Restricted Funds	**Opening Balance 01/07/2021** £	**Income** £	**Expenditure** £	**Closing Balance 30/06/2022** £
Hatch Mill Garden Fund	8,299	-	-	8,299
Roundhay	10,000	-	-	10,000
Guildford House Fund	60,670	-	-	60,670
Disabled Vehicle Fund	950	-	-	950
ICF– Hatch Mill	-	28,825	(28,825)	-
ICF – Wey Valley House	-	15,614	(15,614)	-
ICF – Ridgway Court	-	9,608	(9,608)	-
RTF – Hatch Mill	2,161	25,575	(27,736)	-
RTF – Wey Valley House	291	13,853	(14,144)	-
RTF – Ridgway Court	-	8,525	(8,525)	-
Workforce Recruitment and Retention Fund	-	26,837	(26,837)	-
Vaccine Fund	-	2,566	(2,566)	-
Maitland House Lift Fund	-	24,425	-	24,425
Maitland House Resident Financial Support Fund	-	49,078	-	49,078
Maitland House Ground Floor Refurbishment Fund	-	20,000	(20,000)	-
Maitland House Covid Fund	-	8,873	(8,873)	-
Fixed Assets Fund	2,817,112	-	(37,526)	2,779,586
	£2,899,483	£233,779	£(200,254)	£2,933,008

30. Gift on Charity Combination

During the year, the Society completed two charity combinations. On 1 September 2022, a Transfer of Engagements was completed with Dorking Residential Care Homes Limited (Registered Society number: 13238R) and on 1 May 2023, a Transfer of Engagements was completed with Abbeyfield North Downs Society. The fair value of the net assets acquired on the transfers is set out below:

	DRCH	ANDS
	£	£
Housing Properties - Freehold Land and Buildings	3,900,000	3,500,000
Fixtures, Fittings & Equipment	4,440	55,343
Vehicles	3,985	-
Investments	155,700	1,737,386
Stock	-	6,040
Debtors	1,351	38,960
Cash at Bank and In Hand	24,008	374,458
Creditors	(337,117)	(115,440)
	£3,752,367	£5,596,747
Represented by:		
Unrestricted funds	3,752,367	4,323,774
Restricted Funds	-	1,272,973
	£3,752,367	£5,596,747

31. Related Party Transactions

There were no related party transactions during the year.

32. Post Balance Sheet Events

Kemnal House, a 7 unit sheltered house, was closed due to its financial non viability at the end of November 2023. The Trustees are looking to sell the property during 2024.

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

England & Wales - Charity number 1168173

Accounts

Company number: 10259078
Charity number: 1168173

Abbeyfield Wey Valley Society Limited

Financial Statements

For The Year Ended 30th June 2022

Abbeyfield Wey Valley Society Limited

Financial Statements

For The Year Ended 30th June 2022

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Abbeyfield Wey Valley Society Limited

Legal and Administrative Information

Charity number	1168173
Company number	10259078
Registered Provider number	H3294
Principal and registered office	Wey Valley House Mike Hawthorn Drive Farnham Surrey GU9 7UQ
Auditors	Knox Cropper LLP Office Suite 1, Haslemere House Lower Street Haslemere Surrey GU27 2PE
Bankers	CCLA – COIF Charity Funds Senator House 85 Queen Victoria Street London EC4V 4ET Barclays Bank Plc 1 Churchill Place London E14 5HP
Investment Management	Barclays Wealth and Investment Management Barclays Bank Plc 1 Churchill Place London E14 5HP

Abbeyfield Wey Valley Society Limited

Report of the Board of Trustees

For The Year Ended 30th June 2022

Chairman:	Mr Brian Thomas (Appointed Chair 01/09/2021) Mr F P Whitlock B Eng., MBA, MIET (Resigned as Chair 01/09/2021)
Vice Chairman:	Mrs G Ward
Secretary:	Mr D Hutchinson

Other members of the Board of Trustees:

Mr P Duffy	Mr I Thomson
Mr T Shepherd	Reverend D Magowan (appointed 01/04/2022)
Mr N Grealy (appointed 01/09/2022)	Ms E Edgar (appointed 01/09/2022)

Senior Management

The Senior Management team in place at the date of the signing of these accounts were:

Ms S Tidy	Chief Executive Officer
Mr J Wigmore	Chief Finance Officer
Ms Shelley Hartley	Chief Operating Officer
Ms L Arnold	Operations Manager
Mr I Looms	Marketing & PR Manager

The Board of Trustees of the Society (and Directors of the Company) present their Report and audited Financial Statements for the year ended 30th June 2022.

Status

The Society is registered as a Charitable Company – Abbeyfield Wey Valley Society Limited (Charitable Number: 1168173 and Company Number: 10259078) and is governed by its Articles of Association. The Society is registered with the Regulator of Social Housing (Homes England) (No. H3294) and five of the Society's homes; Wey Valley House, Hatch Mill, Maitland House, Nower House and Ridgway Court, together with the CEO, are registered with the Care Quality Commission under the Care Standards Act 2000.

Purpose & principal activity

The principal activity of the Society is to provide accommodation for the relief and care of elderly persons suffering from disabilities of age or otherwise being in need. To this end, the principal activities of the company are the operation of residential care, nursing care, sheltered housing, and domiciliary care services.

Public Benefit

The primary public benefit offered by the Society is the relief of loneliness for the elderly, but more specifically, the benefits provided by the Society include:

- Providing residential accommodation to elderly people who are unable to look after themselves.
- Caring for elderly people who are frail and need long term nursing care.
- Providing sheltered housing to elderly people unable to live on their own.
- Providing domiciliary care to the community.

The Trustees confirm that they have had regard for the Charity Commission's guidance on public benefit.

Strategic Report:

Objectives of the Society

The long-term objectives of the Society are set by its objects, as per 3.1 of the Articles of Association. The Society is established for the relief and care of an increasing number of elderly persons of all classes, beliefs and nationalities suffering from the disabilities of old age or otherwise in need by the provision and management of housing including social housing, accommodation or assistance for such persons on a not-for-profit basis. The short-term objective is to ensure that the company is viable and to ensure that it can continue to meet its long-term objective.

Measurement of success against aims and objectives

The Trustees have referred to the guidance in the Charity Commission general guidance on public benefit when reviewing the aims and objectives of the Society and in planning its activities and in measuring its success against those aims and objectives. The objects will be principally attained by the provision of nursing care, living assistance, meals and accommodation in the care homes that are run by the Society. The Society measures its success against long-term objectives by the level, quality, range of care provided, and consistently high occupancy levels. Short-term success is measured by achievement of a sustainable net surplus.

As well as the financial position the Society is continually monitoring its performance by the use of questionnaires completed by both sponsors and residents.

Value for money

Through the Trustee structure of the Society, it is able to maintain its fees at a level below that of other providers offering similar levels of care/services in its geographical locality. The Board is therefore very confident that its service users are being offered value for money. The Society's principal funding source is fees paid by our service users, and fees paid on behalf of our service users by County Councils and Care Commissioning Groups. The Society also has a number of volunteers who provide companionship to the Care Home residents on an ad-hoc basis.

Value for Money metrics

In response to the Value for Money Standard issued by the Regulator of Social Housing, the Society reports the required seven Value for Money metrics. The Society has chosen to publish comparatives from The Abbeyfield Society (TAS) – Housing Association Number H1046.

Metric 1 – Reinvestment %

This metric looks at the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held.

The Society did not carry out any major capital expenditure during the year. However it did acquire via merger a 28 bed property.

Metrics 2 – New supply delivered %

Whilst the Society did not deliver new supply, it merged with Abbeyfield Reading Society on 1st February 2022 as described in Note 29. As a result, it took on a 28 bed property increasing units in management to 141.

Metrics 3 – Gearing %

The Society's sheltered social housing is all freehold and is owned outright. The Society has one long term loan against one of its care homes, Wey Valley House.

Metrics 4 – Earnings before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %

The only interest paid by the Society relates to the loan identified in Metric 3.

Metric 5 – Headline social housing cost per unit

Metric 6 – Operating Margin %

Metric 7 – Return on capital employed (ROCE) %

This metric compares the operating surplus to total assets less current liabilities.

		Year ended 30/06/2022	Year ended 30/06/2021	Comparator
Metric 1	- Care	**0.0%**	1.1%	
	- Sheltered	**0.2%**	1.0%	
	- Overall	**0.1%**	1.0%	3.4%
Metric 2		**0.0%**	0.0%	0.0%
Metric 3		**(18.5)%**	(35.6)%	(16.2)%
Metric 4		**(6,349.2)%**	(7,081.7)%	(3,409)%
Metric 5	- Care	**£42,652**	£46,570	
	- Sheltered	**£17,328**	£22,578	
	- Overall	**£39,596**	£41,262	£25,757
Metric 6	- Care	**(2.5)%**	0.4%	
	- Sheltered	**(54.8)%**	(52.2)%	
	- Overall	**(5.9)%**	(3.9)%	(23.9)%
Metric 7		**(2.3)%**	(1.4)%	(2.9)%

Results for the year

The Financial Statements have been prepared in accordance with the Housing & Regeneration Act 2008 and The Accounting Direction for Private Registered Providers of Social Housing 2019 and the Charities SORP.

The care and management activities of the Society during the year show an operating deficit of £323,857 (2021: £178,902 deficit) on a turnover of £5,511,762 (2021: £4,623,653). After adjusting for net investment returns, and investment and property revaluations, the resulting Net Movement in Funds as identified on the SOFA are a gain of £1,045,790 (2021: reduction of £51,277).

Within this result, the Home Care business generated a turnover of £197,762 (2021: £194,335).

Donations received in the year amounted to £11,955 (2021: £7,410) The excess of interest payable over that receivable amounted to £1,999 (2021: net interest payable of £3,342).

Covid-19 severely impacted our business during the financial year with occupancy levels not reaching historic levels until the last months of the financial year because of the reluctance of potential residents to leave their homes. Additionally, Maitland House in Reading became part of the Society in February 2022 with approximately 50% occupancy and it has taken almost a year of hard work to reach more acceptable occupancy levels.

Our Home Care services are, post the pandemic phase, proving popular and the only restriction on growth is the difficulty in attracting suitable staff.

The Trustees recognise that normal operating conditions have yet to return and accept that under the circumstances the operating loss for the year was unavoidable. This deficit was primarily caused by Covid. The deficit would undoubtedly been much larger but for the financial support provided by the Government. Fees were increased for current service users by approximately 5% from 1st October 2021. This was between the reported CPI and RPI figures of 4.2% & 6.0% respectively.

Fixed Assets

Additions and disposals of fixed assets together with movements in the associated depreciation provisions are set out in Note 11. The Board are satisfied that the value of its housing stock is in line with the net book value of the underlying fixed assets. The net book value of the Society's land and building assets at the 30th June 2022 was £10.2 million. Associated with these assets are historic Social Housing Grants which are identified in Note 18 and amount to £3.75million.

Investments

The Society continues to hold investments managed by Barclays Wealth in one of their Charity Unit trusts. Details of movements within the investment can be found in Note 12. December 2021 proved to be the investment high point and the return of high inflation and more 'normal' interest rate levels have combined to the detriment of most investment portfolios.

Post Balance Sheet Events

The Society sold the Castle Gate property on 15th August 2022. The property had a Social Housing Grant and the Society is in discussion with Homes England to recycle the Grant.

The Society also merged with Dorking Residential Care Homes Limited on 1st September 2022 and took on Nower House, a 44 bed Care Home. At that date, Nower House was rated as Inadequate by the CQC and the Trustees are delighted to be able to state that, through the hard work of the home's staff, and following a visit by the CQC in late November, the home was re-rated as Good.

Reserves Policy

The Charity Commission expects that all charities have plans to spend the money that they receive for charitable purposes. However, they also expect charities to hold reserves to meet specific longer-term charitable purposes, and also to mitigate the risks inherent in their businesses. The Trustees believe that the Society requires adequate reserves:

1. To address the possibility of a rapid downturn in occupancy level which would adversely affect our income generation. Thus, a reserve would be needed to allow for a restructuring of the Society.
2. To enable an orderly liquidation in the most unlikely event of the Society needing to cease operation.
3. To ensure its existing operations remain fit for purpose, and to ensure the financial flexibility to develop new services in existing and potentially new locations.
4. The Society, in line with its charitable objectives, intends to ensure that its services are available to those in need.

The Balance Sheet shown in these financial statements, and also shown in Note 27, shows the Society to have total funds of £13,877,428 at 30th June 2022. Of this balance, £2,933,008 is held in restricted funds as identified in Note 20 to the accounts.

A 'Designated Reserve' is held at £8,539,803 to cover item 3.

Finally, in order to adequately perform its charitable purposes, identified in 4 above, the Society holds a 'Revenue Reserve' at the 30th June 2022 of £1,554,617. These reserves, together with those reserves gained from historical mergers are held within the Fixed Assets of the Society together with those net current assets not already allocated to the 'Prudential Reserve' and the 'Designated Reserve'.

The Trustees review Reserve balances annually to ensure they are adequate, and that they are held in appropriate asset types.

Future Plans

The Society is using its cash resources and operational expertise to make improvements to the two care homes that merged with the Society during the calendar year 2022. The Society continues to increase the number of residential homes for which it has responsibility as negotiations with another care home are well advanced. This will take our group of care homes to six.

Organisation Structure

The members of the Board of Trustees have overall responsibility for ensuring that the Society has appropriate systems of control, care, financial and otherwise. The systems of financial control are designed to provide reasonable, but not absolute, assurance against any material financial misstatement, especially of loss. They include an annual budget, approved by the Board of Trustees, regular review of actual results and variances from budget, and delegation of authority and segregation of duties as far as possible given staffing levels. The Board meets eight times a year.

The Society operates two separate sub-committees corresponding to the core areas of the Society's business; namely Care and Finance. Each is headed by a trustee and reports directly to the Board of Trustees. These sub-committees meet at least four times a year.

The Chair of each sub-committee and the Board Chair form the Remuneration Committee which (usually) meets once a year to agree Management pay setting for the upcoming year. No Trustees are paid for their services although expenses incurred in the course of their duties are encouraged to be claimed.

The Society has a very strong and effective Board of Trustees. We maintain a matrix of people against needed skills and experience. The Trustees are thus able to consider all issues coming before them in a proper manner, but consultants are used where particular specialist advice is required.

Trustees are usually recommended to us or come forward as volunteers, though it is becoming increasingly difficult to find suitable individuals who are prepared to take on the responsibility involved. We would welcome trustees of any gender, sexual orientation, or ethnic background but sadly at the present time we have no-one from one of the minority communities. This is undoubtedly due to the demographic makeup of the local area.

All new trustees are interviewed by the Chairman, Vice-Chairman and Chief Executive prior to appointment. They then have an induction programme of at least a day. The aforementioned three people monitor the performance of the Board on a continuous basis and equally the trustees are encouraged to provide feedback to the Chairman and Vice Chairman on their performance.

Risk management
The Board of Trustees formally monitors risks annually and sets up policies to mitigate them.

The members of the Board of Trustees are committed to ensuring that the Society's system of internal controls is adequate and effective. A number of steps have been taken to enhance further the existing systems of internal control. These include:

a) A progressive revision and upgrade of risk management arrangements; and
b) A review of the Operational Risk Assessment programme to incorporate both qualitative and compliance review of all of the Society's activities.

The Society maintains an Assets & Liabilities register, and completes an annual Stress Test of the Society's financial strength. Both have given further confidence to the Trustees that the Society is in a strong position to continue its service and meet its public benefit for the foreseeable future.

Health and safety
The Society is aware of its responsibilities on matters relating to health and safety. The Society has prepared detailed health and safety policies and provides training and education on health and safety matters.

Statement of the Board of Trustees Responsibilities
The Charities Act 2011 and Companies Act 2006, and Registered Social Housing legislation requires the Board to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Society as at the end of that financial period and of the surplus or deficit of the Society for the period ended on that date. In preparing these financial statements suitable accounting policies have been used, framed to the best of the Board's knowledge and belief, by reference to reasonable and prudent judgments and estimates and applied consistently. Applicable UK accounting standards and statements of recommended practice have been followed. The Board is also required to indicate where the financial statements are prepared other than on the basis that the Society is a going concern.

The Board of Trustees is responsible for ensuring the keeping of proper books of account which disclose with reasonable accuracy at any time the financial position of the Society and which enable them to ensure that the accounts comply with the Charities Act 2011, the Companies Act 2006, the Housing & Regeneration Act 2008 and The Accounting Direction for Private Registered Providers of Social Housing 2019. They are responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to Auditors

So far as each Member of the Board is aware at the time the report is approved:

- There is no relevant audit information of which the company's auditors are unaware, and
- The Board members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Signed on behalf of the Board



Mr Brian Thomas: Chairman

Dated: .....15 Feb.....2023

Independent Auditors' Report to the Members

of Abbeyfield Wey Valley Society Limited

Opinion

We have audited the financial statements of Abbeyfield Wey Valley Society Limited (the 'Society') for the year ended 30th June 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Society's affairs as at 30th June 2022 and of its income and expenditure, including its result, 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, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the Society 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 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Society and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page seven, the trustees (who are also the directors of the Society for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Society which have a direct impact on the financial statements and determined that the most significant are the

Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Companies Act 2006 and Standards issued by the Regulator of Social Housing.

- We understood how the Society is complying with those frameworks via communication with those charged with governance, together with the review of the Society's documented policies and procedures.
- We assessed the susceptibility of the Society's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. These included risks associated with revenue recognition, management override of controls and the increased incentive and pressure to commit fraud due to the Covid-19 environment, which were discussed and agreed by the audit team.
- Our approach included agreeing the Society's recognition of income to the terms of the underlying contract, the review of journal entries processed in the accounting records and the investigation of significant and unusual transactions identified from our review of the accounting records, and the review of government support scheme grants received to ensure they were not fraudulently claimed.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the Society.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the Society's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Elkins FCA (Senior Statutory Auditor)
Knox Cropper LLP
Chartered Accountants and Statutory Auditors
Office Suite 1, Haslemere House
Lower Street
Haslemere
Surrey GU27 2PE

Dated: 29/3/2023

Abbeyfield Wey Valley Society Limited

Statement of Financial Activities (Incorporating the Income and Expenditure Account)

For The Year Ended 30th June 2022

	Notes	2022 Unrestricted funds £	2022 Restricted funds £	2022 Total funds £	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £
Income from							
Donations and grants	3	11,955	139,076	151,031	7,340	208,064	215,404
Charitable Activities	4	5,357,633	-	5,357,633	4,405,353	-	4,405,353
Investments	5	43,998	-	43,998	20,593	-	20,593
Other Trading Activities	6	3,098	-	3,098	-	-	-
Other		-	-	-	2,896	-	2,896
Gift on Charity Combination	29	1,388,641	94,703	1,483,344	-	-	-
		6,805,325	233,779	7,039,104	4,436,182	208,064	4,644,246
Expenditure on							
Raising Funds	9	9,846	-	9,846	2,454	-	2,454
Charitable Activities	7	5,625,519	200,254	5,825,773	4,558,559	247,441	4,806,000
		5,632,135	200,254	5,832,389	4,561,013	247,441	4,808,454
Gains/(losses) on revaluation of investments		(157,695)	-	(157,695)	112,931	-	112,931
Net income/(expenditure) and net movement in funds		1,012,265	33,525	1,045,790	(11,900)	(39,377)	(51,277)
Funds brought forward 1st July 2021		9,932,155	2,899,483	12,831,638	9,944,055	2,938,860	12,831,638
Funds carried forward 30th June 2022		10,944,420	2,933,008	13,877,428	9,932,155	2,899,483	12,831,638

Abbeyfield Wey Valley Society Limited

Balance Sheet

At 30th June 2022

	Notes	2022	2021
		£	£
Tangible Fixed Assets			
Housing Properties at Depreciated Cost	11	10,195,195	8,940,947
Vehicles	11	17,683	14,583
Fixtures, fittings and equipment	11	122,860	133,276
Investments	12	1,953,450	872,471
		12,289,188	9,961,277
Current Assets			
Stocks	13	6,005	6,005
Trade and Other Debtors	14	266,233	119,259
Cash and Cash Equivalents	15	1,925,289	3,218,873
		2,197,527	3,344,137
Current Liabilities			
Creditors: amounts falling due within one year	16	574,494	437,759
Net Current Assets		1,623,033	2,906,378
Total Assets less Current Liabilities		13,912,221	12,867,655
Long Term Liabilities			
Creditors: amounts falling due after one year	17	34,793	36,017
Total Net Assets		£13,877,428	£12,831,638
Funds			
Unrestricted Funds	19	10,944,420	9,932,155
Restricted Funds	20	2,933,008	2,899,483
Total Funds		£13,877,428	£12,831,638

The Financial Statements were approved at the Board of Trustees meeting on 15 FEB 2023, and signed on its behalf by:

.....
Mr B Thomas – Chairman

.....
Mr D Hutchinson – Secretary

.....
Mr P Duffy – Treasurer

Abbeyfield Wey Valley Society Limited

Statement of Cash Flows

For The Year Ended 30th June 2022

	Notes	2022	2021
		£	£
Net Cash Generated From Operating Activities	A	(18,455)	147,889
Cash Flows From Investing Activities			
Purchase of property components		(7,250)	(93,473)
Purchase of other fixed assets		(64,424)	(51,701)
Purchase of fixed asset investments		(1,197,158)	-
Proceeds from sale of fixed assets		5,389	1,234,624
Disposal of investments (Note 11)		4,625	2,682
Investment income		1,330	23
Investment management fees		(6,385)	(2,454)
Movement in cash held in investments		(3,473)	(228)
Total Cashflows From Investing Activities		(1,267,346)	1,089,473
Cash Flows From Financing Activities			
Interest paid		(3,329)	(3,365)
Repayment of Loans		(1,224)	(353)
		(4,553)	(3,718)
Net Change In Cash And Cash Equivalents		(1,293,584)	1,233,644
Cash And Cash Equivalents At Beginning Of The Year		3,218,873	1,985,229
Cash And Cash Equivalents At End Of The Year	B	£1,925,289	£3,218,873

A	**Cash Flows From Operating Activities**		
	Net (expenditure)/income for the year	1,045,790	(51,277)
	Depreciation	259,779	237,352
	Investment Income and Interest Receivable	(43,998)	(20,593)
	Interest Payable	3,329	3,365
	Gift on Charity Combination	(1,439,464)	-
	(Increase)/decrease in Debtors	(146,974)	(7,782)
	Increase/(decrease) in Creditors	136,735	81,925
	Loss on Sale of Assets	(962)	15,376
	Unrealised (gains)/losses on investments	157,695	(112,931)
	Investment management fees	6,385	2,454
		£(21,685)	£147,889
B	**Cash and Cash Equivalents**		
	Bank Balances	1,925,289	3,218,873
		£1,925,289	£3,218,873

Analysis Of Changes In Net Debt	**At 1st July 2021**	**Cash Flows**	**At 30th June 2022**
	£	£	£
Cash	3,218,873	(1,293,584)	1,925,289
Loans falling due within one year	(350)	-	(350)
Loans falling due in more than one year	(36,017)	1,224	(34,793)
	£3,182,506	(1,292,360)	£1,890,146

1. **Status of the Society**

The Society is a private company limited by guarantee registered under the Companies Act 2006 (Registered Number 10259078) in England & Wales and the Charities Act 2011 (Registered Number 1168173). The Society is also registered under the Housing & Regeneration Act 2008 (Regulator of Social Housing number H3294). The Society's registered office address and a description of the nature of the Society's operations can be found in the Report of the Trustees.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Society's accounts.

2.1 **Basis of Accounting and Assessment of Going Concern:**

The financial statements have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) Second Edition, the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Abbeyfield Wey Valley Society Limited is a public benefit entity and applies FRS 102 accordingly. The accounts comply with the Companies Act 2006, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing in England 2019.

The accounts have been prepared in £GBP sterling, which is the functional currency of the Society. Monetary amounts in these financial statements are rounded to the nearest £.

The Trustees consider there are no material uncertainties about the Society's ability to continue as a going concern.

2.2 **Fixed Assets – Housing Land and Buildings**

Housing land and buildings are stated at cost. The cost of properties is their purchase price together with incidental costs of acquisition including interest payable. Interest payable is capitalised by applying the Society's cost of borrowing to expenditure during the construction or refurbishment of any property up to the date of practical completion. Additionally, any professional fees incurred in the construction or refurbishment of any property are also capitalised cost.

In accordance with paragraph 17.16 of FRS 102, properties are accounted for on a component cost basis. In the absence of more precise information, the value of each component has been established using a matrix agreed between the National Housing Federation and the Institute of Chartered Accountants of England & Wales, with the exception of the Hatch Mill redevelopment of 2012 for which component information was available.

2.3 **Social Housing Grant**

Where developments have been financed wholly or partially by Social Housing Grant, the grant is recognised as income when received or receivable in accordance with the performance model. Social Housing Grant may be repayable in certain circumstances including the sale of the property or a change in its use.

2.4 **Fixed Assets: Fixtures, Fittings and Equipment**

Assets donated to the Society are not included in the balance sheet. Other assets are included at cost. Only assets purchased with a cost greater than £1,000 are capitalised.

2.5 **Loan Finance Costs**

Costs incurred in the securing and raising of loan finance are amortised over the period of the loan.

2.6 **Income**

All income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income can be measured reliably.

Turnover represents fees receivable, and income from care at home services which are recognised in the period to which they relate.

Monetary donations to the Society are credited to the Statement of Financial Activities when it is probable that they will be received. Grants, including government grants, are measured using the performance model and are credited to the Statement of Financial Activities when it is probable that they will be received and any conditions have been satisfied.

2.7 **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Society to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Resources expended includes VAT which cannot be recovered.

2.8 **Depreciation**

The cost of completed Housing Properties (net of the cost of land) is depreciated over the life of the properties. Properties are accounted for on a component cost basis with each component being depreciated over its estimated useful life. The principal components and the depreciation rate applied to each component are set out below:

	Years		Years
Land	n/a	Kitchen	20
Main Structure & Fabric	100	Bathroom/W.C.	30
Roof & Covering	70	Heating/ventilation/plumbing	30
Windows and External Doors	30	Electrics	40
Gas Boilers	15	Lift	20
Grounds and gardens	15	Internal structures	20

- Leasehold Land is amortised over the term of the 125 year lease which began in 1983.
- Fixtures, fittings & equipment are depreciated over a 5 year life on a straight line basis.
- Computer equipment is depreciated over a 3 year life on a straight line basis.
- Vehicles are depreciated on a 25% reducing balance basis.

A full year's depreciation is charged on fixed assets in the year of purchase, with no charge applied in the year of disposal. Assets in the course of construction are not depreciated until they are brought into use.

2.9 **Stocks**

Stocks are valued at the lower of cost or net realisable value, and comprise primarily of food stocks and cleaning materials.

2.10 **Investments**

The Society's investments consist only of investments in unit trusts. Initially they are recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market price. The statement of financial activities includes the net gains and losses arising on the revaluations and disposals throughout the year.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

2.11 **Debtors and creditors**

Trade and Other Debtors are classified as basic financial instruments and are measured and recorded in the accounts at the initial transaction price.

Debtors and Creditors are subsequently measured at amortised cost using the effective interest rate method. Financial assets classified as receivable within one year and financial liabilities classified as payable within one year are not amortised.

2.12 **Corporation Tax and VAT**

The Society has charitable status and is exempt from Corporation Tax. The Society is not registered for VAT. No VAT is charged to residents and expenditure in the Statement of Financial Activities includes the relevant VAT.

2.13 **Pensions**

The Society operates a pension scheme for employees which meets the requirements of being a Qualifying Workplace Pension Scheme. The scheme is administered and operated by Standard Life Assurance Company who hold the assets of the scheme. It is a voluntary defined contribution scheme which is now closed to new members. The Society additionally operates an auto-enrolment pension scheme which is operated through the National Employment Savings Trust (NEST) with both employees and the Society paying contributions monthly to NEST on a percentage of 'Qualifying Earnings' basis.

2.14 **Significant Management Judgements and Estimation Uncertainties**

Impairment:

Properties are assessed for impairment when there is an indication that the property has been impaired. This includes properties in the course of development. The assessment is carried out by comparing the carrying value of the property with its recoverable amount (taking into account service potential), and, where applicable, the property is written down to its recoverable amount.

Depreciation:

The depreciation of property components is based on management's estimate of their useful lives which is kept under review.

Doubtful Debts provision:

The provision for doubtful debts is based on management's estimate of the recoverability of residents' arrears. No provision for doubtful debts is thought to be needed at 30th June 2022.

3. Income from donations and grants

	2022	2021
	£	£
Covid-related Fund Grants	139,076	207,994
Donations and bequests	11,955	7,410
Total income from donations and grants	£151,031	£215,404

Covid-related Fund Grants represents government grants received to support the Society through the Covid19 pandemic. A breakdown of the grants can be found in the Restricted Funds note (Note 20). There are no unfulfilled conditions or contingencies related to government grants.

4. Income from charitable activities

Gross fees from accommodation services	6,033,591	5,324,862
Less voids	(873,720)	(1,113,844)
Net fees receivable from accommodation services	5,159,871	4,211,018
Home Care activities	197,762	194,335
Net fees from all activities	£5,357,633	£4,405,353

5. Investment income

Interest on funds on call and short notice	1,330	23
Accumulated income	42,668	20,570
Total investment income	£43,998	£20,593

6. Income from Other Trading Activities

Fundraising events	3,098	-
Total income from Other Trading Activities	£3,098	£ -

7. Expenditure on charitable activities	2022 £	2021 £
Employee costs, agency staff and training	3,924,764	3,298,860
Catering	257,190	222,825
Other care expenses	137,326	161,656
Establishment expenses	235,024	176,215
Repairs and maintenance	353,925	284,297
Vehicle costs	7,646	4,668
Depreciation and amortisation	259,782	252,728
Residents' amenities	35,189	18,938
Interest payable	3,329	3,365
Debt provision and write-offs	34,335	12,221
Disposal of assets	(962)	-
Development costs	37,762	-
General management expenses	210,603	112,887
Support costs (Note 8)	329,860	257,340
Total expenditure on charitable activities	£5,825,773	£4,806,000

8. Support costs	2022 £	2021 £
Employee costs	142,932	140,586
Administration costs	128,872	91,942
Payroll fees	9,403	8,132
Professional fees	36,663	6,690
Auditors' remuneration	11,990	9,990
Total support costs	£329,860	£257,340

Remuneration payable to the auditors for the auditing of the accounts, excluding VAT, amounted to £10,000 (2021: £8,325).

9. Raising Funds	2022 £	2021 £
Investment management fees	6,385	2,454
Costs of fundraising events	3,461	-
Total Raising Funds	£9,846	£2,454

10. **Particulars of turnover, operating costs and operating surplus**

2022	Care Homes	Housing	Home Care	Other	TOTAL
Fees at full occupancy	5,716,946	-	-	-	5,716,946
Home Care fees	-	-	197,762	-	197,762
Other income (grants/donations)	139,076	-	-	11,955	151,031
Rental income at full occupancy	-	80,895	-	-	80,895
Service charges	-	238,849	-	-	238,849
Gross Income (before voids)	5,856,022	319,744	197,762	11,955	6,385,483
Voids	(812,343)	(61,378)	-	-	(873,721)
Net incomes (after voids)	5,043,679	258,366	197,762	11,955	5,511,762
Direct Costs	(4,836,954)	(403,593)	(196,263)	-	(5,436,810)
Surplus/(deficit) before central overhead	206,725	(145,227)	1,499	11,955	74,952
Central overhead allocation	(333,539)	(53,403)	(11,867)	-	(398,809)
Operating surplus/(deficit)	(126,814)	(198,630)	(10,368)	11,955	(323,857)

10. **Particulars of turnover, operating costs and operating surplus (continued)**

2021	Care Homes	Housing	Home Care	Other	TOTAL
Fees at full occupancy	4,869,672	-	-	-	4,869,672
Home Care fees	-	-	194,335	-	194,335
Other income (grants/donations)	207,994	-	-	10,306	218,300
Rental income at full occupancy	-	113,481	-	-	113,481
Service charges	-	341,709	-	-	341,709
Gross Income (before voids)	5,077,666	455,190	194,335	10,306	5,737,497
Voids	(1,021,365)	(92,479)	-	-	(1,113,844)
Net incomes (after voids)	4,056,301	362,711	194,335	10,306	4,623,653
Direct Costs	(3,794,679)	(477,242)	(196,745)	-	(4,468,666)
Surplus/(deficit) before central overhead	261,622	(114,531)	(2,410)	10,306	154,987
Central overhead allocation	(249,062)	(70,756)	(14,151)	-	(333,969)
Operating surplus/(deficit)	12,560	(185,287)	(16,561)	10,306	(178,982)

11. Tangible Fixed Assets

	Freehold Buildings £	Freehold Land £	Long Leasehold Land £	Long Leasehold Buildings £	Sub Total Land & Buildings £	Fixtures Fittings & Equipment £	Vehicles £	Total £
Cost								
At 1st July 2021	7,774,382	1,420,000	69,048	1,817,773	11,081,203	717,976	53,278	11,852,457
Additions	1,432,250	-	-	-	1,432,250	69,893	8,995	1,511,138
Disposals	-	-	-	-	-	(5,792)	-	(5,792)
At 30th June 2022	9,206,632	1,420,000	69,048	1,817,773	12,513,453	782,077	62,273	13,357,803
Depreciation								
At 1st July 2021	1,491,919	-	21,400	626,937	2,140,256	584,700	38,695	2,763,651
Provision for the year	148,981	-	552	28,469	178,002	75,882	5,895	259,779
On disposal	-	-	-	-	-	(1,365)	-	(1,365)
At 30th June 2022	1,640,900	-	21,952	655,406	2,318,258	659,217	44,590	3,022,065
Net Book Amount								
At 30th June 2021	£6,282,463	£1,420,000	£47,648	£1,190,836	£8,940,947	£133,276	£14,583	£9,088,806
At 30th June 2022	£7,565,732	£1,420,000	£47,096	£1,162,367	£10,195,195	£122,860	£17,683	£10,335,738

Note (a) A loan from Orchardbrook Limited of £35,143 (2021: £36,367) is secured on the long leasehold property.

		2022	2021
		£	£
12.	**Investments**		
	Balance brought forward	872,471	741,424
	Additions	1,197,158	-
	Accumulated income	42,668	20,570
	Disposals	(4,650)	(2,682)
	Unrealised gains/(losses)	(157,670)	112,931
	Movement in cash	3,473	228
		£1,953,450	£872,471
	Within the above are:		
	Investments at fair value through net income	1,948,775	871,269
	Cash held by investment managers	4,675	1,202
		£1,953,450	£872,471
13.	**Stocks**		
	Household supplies	£6,005	£6,005
14.	**Trade and Other Debtors**		
	Residents' fees	167,077	63,198
	Less provision for doubtful debts	-	-
		167,077	63,198
	Other debtors	2,347	250
	Prepayments and accrued income	96,809	55,811
		£266,233	£119,259
15.	**Cash and Cash Equivalents**		
	COIF Deposit Account	1,230,396	1,229,475
	Barclays Bank	695,083	1,987,882
	Cash in hand	3,040	1,516
		£1,928,519	£3,218,873

16. **Creditors: Amounts falling due within one year**

	2022	2021
	£	£
Amount due on Orchardbrook Limited Loan (Note 17)	350	350
Trade creditors	171,434	101,698
Social Security and PAYE	94,514	74,741
Other creditors	77,991	61,928
Accruals and deferred income	230,205	199,041
	574,494	£437,758

17. **Creditors: amounts falling due after one year**

		2022	2021
Loan from Orchardbrook Limited	Note (a)	34,793	36,017

Note (a) A 60 year loan taken out in 1986 to help fund the development of Wey Valley House. Interest is fixed at 9.5% and is secured by a legal charge over Wey Valley House.

18. **Social Housing Grant**

	2022	2021
	£	£
Aggregate amount received		
At 1st July 2021 and 30th June 2022	3,752,630	3,752,630
Released to SOFA		
At 1st July 2021	3,752,630	3,752,630
Released for the period	-	-
At 30th June 2022	3,752,630	3,752,630
Net Book Amount		
At 30th June 2021	-	£ -
At 30th June 2022	-	£ -

19. **Reserves:**

Movement During The Year	**Opening Balance 01/07/2021** £	**Total Comprehensive Income** £	**Transfers To/(from) Reserves** £	**Closing Balance 30/06/2022** £
Unrestricted Reserves				
Designated Reserves	8,539,803	-	-	8,539,803
Revenue Reserve	542,352	1,012,265	-	1,554,617
Prudential Reserve	850,000	-	-	850,000
Total Unrestricted Funds	9,932,155	1,012,265	-	10,944,420
Restricted Funds (Note 20)	2,899,483	33,525	-	2,933,008
	£12,831,638	£1,045,790	-	£13,877,428

The Designated Reserve represents those reserves allocated by the Society to ensure its existing operations remain fit for purpose, and to develop new services.

The Prudential Reserve represents the funds necessary to cope with a downturn in the economic environment in which the Society operates, or in a worst case scenario to allow an orderly liquidation of the Charity.

20.	Restricted Funds	Opening Balance 01/07/2021 £	Income £	Expenditure £	Closing Balance 30/06/2022 £
	Hatch Mill garden fund	8,299	-	-	8,299
	Roundhay	10,000	-	-	10,000
	Guildford House fund	60,670	-	-	60,670
	Disabled Vehicle Fund	950	-	-	950
	ICF– Hatch Mill	-	28,825	(28,825)	-
	ICF – Wey Valley House	-	15,614	(15,614)	-
	ICF – Ridgway Court	-	9,608	(9,608)	-
	RTF – Hatch Mill	2,161	25,575	(27,736)	-
	RTF – Wey Valley House	291	13,853	(14,144)	-
	RTF – Ridgway Court	-	8,525	(8,525)	-
	Workforce Recruitment and Retention Fund	-	26,837	(26,837)	-
	Vaccine Fund	-	2,566	(2,566)	-
	Maitland House Lift fund	-	24,425	-	24,425
	Maitland House Resident Financial Support fund	-	49,078	-	49,078
	Maitland House Ground Floor Refurbishment fund	-	20,000	(20,000)	-
	Maitland House Covid fund	-	8,873	(8,873)	-
	Fixed Assets Fund	2,817,112	-	(37,526)	2,779,586
		£2,899,483	£233,779	£(200,254)	£2,933,008

Restricted Funds

During the year the Society received £102,000 in restricted grants under the government's Infection Control Funds and Rapid Testing Funds to meet additional costs incurred as a result of the Covid19 pandemic. The Roundhay fund was established to support residents who might require additional financial support, and the Guildford House reserve was to make life easier for residents who are hard of hearing and for their general comfort in the Guildford Home.

The Fixed Assets Fund represents that element of the fixed assets of the Society which has been funded by social housing grants received from the government.

21. **Contingent Liabilities**

As part of the transfer of assets by Abbeyfield Reading Society on 1st February 2022, Abbeyfield Wey Valley Society, ("AWVS"), agreed that should it decide to sell the property that had been transferred across, before 1st February 2025, or close down the home or effectively cease to operate it as a care home, then it would have to pay a Compensation Payment to Eventide & Watts (that had written off a loan to Abbeyfield Reading Society of £393,006 at the time of the transfer).

The Compensation Payment would be calculated as follows. 50% of the gross proceeds of the sale of the property less:

- All legal & agency fees incurred by AWVS plus any costs incurred by AWVS in closing the home down,
- The costs of any investments made by AWVS to improve the property, plus the aggregate of the operational losses (if any) incurred in running the home from the 1st February 2022 until the date when either the home is closed or sold as a going concern.

There was no contingent liability at 30th June 2021.

22. **Capital Commitments**

At 30th June 2022 and 30th June 2021 the Society had no capital commitments.
The Board has approved the budget for the year ended 30th June 2023 which includes capital costs of £176,000 (2021: £339,800).

23. **Employees**

	2022	2021
	£	£
Salaries and wages	3,162,198	2,903,658
Employers' Social Security costs	256,032	214,012
Pensions	146,933	136,143
Termination payments	8,500	-
	£3,573,633	£3,253,813

The average number of employees in the period was 182 (2021: 165), which equated to approximately 136 full time equivalent heads (2021: 124).

24. **Payments to Members, Trustees and Officers**

No fees or remuneration were paid during this year or last to any of the Members or Trustees. Expenses reimbursed to Trustees in the current financial year amounted to £270 to one Trustee for travel expenses (2021: £ Nil).

The aggregate amount of emoluments, including pension contributions, payable to the Key Management Personnel in the year were £417,132 (2021: £456,029).

The full-time equivalent number of staff whose remuneration payable was more than £60,000 is:

	2022	2021
£90,000 – £100,000	1	1
£80,000 – £90,000	1	1
£60,000 – £70,000	-	0.7
	2	2.7

Included within the above were payments to the CEO, being the highest paid employee amounting to £97,885 for the year excluding pension contributions (2021: £97,589).

The CEO is a member of the Society's employee defined contribution scheme. The Society contributes to the CEO's pension at 7% of salary with the CEO contributing 5% of her salary. No special or enhanced terms apply.

25. **Controlling Party**

The Board of Trustees are the ultimate controlling party of the Society.

26.

Units in Management	**Residential**	**Nursing**	**Sheltered**	**Total**
Wey Valley House, Farnham	26	-	-	26
Hatch Mill, Farnham	19	27	-	46
Ridgway Court, Farnham	16	-	-	16
Kemnal, Haslemere	-	-	7	7
Roundhay, Guildford	-	-	10	10
Castle Gate, Guildford	-	-	8	8
Maitland House, Reading	28	-	-	28
Total	89	27	25	141

27. **Net Assets by fund**

	Unrestricted £	Restricted £	2022 Total £
Fixed Assets	9,509,602	2,779,586	12,289,188
Current Assets	2,044,105	153,422	2,197,527
Current Liabilities	(574,494)	-	(574,494)
Long Term Liabilities	(34,793)	-	(34,793)
Total	£10,944,420	£2,933,008	£13,877,428

	Unrestricted £	Restricted £	2021 Total £
Fixed Assets	7,144,165	2,817,112	9,961,277
Current Assets	3,261,766	82,371	3,344,137
Current Liabilities	(437,759)	-	(437,759)
Long Term Liabilities	(36,017)	-	(36,017)
Total	£9,932,155	£2,899,483	£12,831,638

28. **Reserves:**

Prior Year Movement	**Opening Balance 01/07/2020** £	**Total Comprehensive Income** £	**Transfers To/(from) Reserves** £	**Closing Balance 30/06/2021** £
Unrestricted Funds				
Designated Reserves	8,589,803	-	(50,000)	8,539,803
Revenue Reserve	304,252	(11,900)	250,000	542,352
Prudential Reserve	800,000	-	50,000	850,000
Revaluation Reserve	250,000	-	(250,000)	-
Total Unrestricted Funds	9,944,055	(11,900)	-	9,932,155
Restricted Funds	2,938,860	(39,377)	-	2,899,483
	£12,882,915	£(51,277)	£ -	£12,831,638

Restricted Funds	At 01/07/2020 £	Income £	Expenditure £	At 30/06/2021 £
Hatch Mill Garden Fund	8,229	70	-	8,299
Roundhay	10,000	-	-	10,000
Guildford Houses Fund	60,737	-	(67)	60,670
Disabled Vehicle Fund	950	-	-	950
ICF– Hatch Mill	9,500	80,567	(90,067)	-
ICF – Wey Valley House	(600)	43,640	(43,040)	-
ICF – Ridgway Court	(4,594)	26,855	(22,261)	-
RTF – Hatch Mill	-	30,364	(28,203)	2,161
RTF – Wey Valley House	-	16,447	(16,156)	291
RTF – Ridgway Court	-	10,121	(10,121)	-
Fixed Assets Fund	2,854,638	-	(37,526)	2,817,112
	£2,938,860	£208,064	£(247,441)	£2,899,483

29. **Gift on Charity Combination**

On 1st February 2022, the assets and operations of the Abbeyfield Reading Society were transferred to the Society for nil consideration. The fair value of the net assets acquired on transfer was £1,483,344 broken down as follows: Freehold Housing Properties £1,425,000, Fixtures, Fittings and Equipment £14,464, Cash at bank and in hand £34,411 and net debtors and creditors of £9,469. £94,703 of the net assets transferred represented restricted funds as set out in note 20, with the remaining £1,388,641 being unrestricted.

30. **Post Balance Sheet Event**

On 12th August 2022 the Society completed the sale of its Castle Gate property achieving net proceeds of £2,371,339, representing a significant surplus on the year end net book value of £1,684,008. The sale of the property triggered the recycling of the social housing grant attached to the property of £324,660.

On 1st September 2022 Dorking Residential Care Homes Ltd merged with the Society and the latter took on Nower House, a 44 bed Care Home.

31. **Related Party Transactions**

There were no related party transactions during the year.

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

England & Wales - Charity number 1168173

Accounts

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2021

KNOX CROPPER
chartered accountants

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2021

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ABBEYFIELD WEY VALLEY SOCIETY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Charity number	1168173
Company number	10259078
Registered Provider number	H3294
Principal and registered office	Wey Valley House Mike Hawthorn Drive Farnham Surrey GU9 7UQ
Auditors	Knox Cropper LLP Office Suite 1, Haslemere House Lower Street Haslemere Surrey GU27 2PE
Bankers	CCLA – COIF Charity Funds Senator House 85 Queen Victoria Street London EC4V 4ET Barclays Bank Plc 1 Churchill Place London E14 5HP
Investment Management	Barclays Wealth and Investment Management Barclays Bank Plc 1 Churchill Place London E14 5HP

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

REPORT OF THE BOARD OF TRUSTEES

FOR THE YEAR ENDED 30TH JUNE 2020

Chairman: Mr Brian Thomas (Appointed Chair 1st September 2021)
Mr F P Whitlock B Eng., MBA, MIET (Resigned as Chair 1st September 2021)

Vice Chairman: Mrs G Ward

Secretary: Mr D Hutchinson

Other members of the Board of Trustees:

Mr P Duffy
Mr T Shepherd
Ms S McClean (Resigned 15/04/2021)
Mr I Thomson
Dr C Tibbott (Resigned 27/07/2020)

Senior Management

The Senior Management team in place at the date of the signing of these accounts were:

Ms S Tidy	Chief Executive Officer
Mr M Kay	Head of Finance
Ms Shelley Hartley	General Manager
Ms Tammie Baker	Registered Manager Hatch Mill
Ms L Arnold	Registered Manager Wey Valley House & Ridgway Court
Ms J Foster	Home Care Manager

The Board of Trustees of the Society present their Report and audited Financial Statements for the year ended 30th June 2021.

Status

The Society is registered as a Charitable Company – Abbeyfield Wey Valley Society Limited (Charitable Number: 1168173 and Company Number: 10259078) and is governed by its Articles of Association. The Society is registered with the Regulator of Social Housing (Homes England) (No. H3294) and three of the Society's homes; Wey Valley House, Hatch Mill and Ridgway Court, together with the CEO, are registered with the Care Quality Commission under the Care Standards Act 2000.

Purpose & principal activity

The principal activity of the Society is to provide accommodation for the relief and care of elderly persons suffering from disabilities of age or otherwise being in need. To this end, the principal activities of the company are the operation of residential care, nursing care, sheltered housing, and domiciliary care services.

Public Benefit

The primary public benefit offered by the Society is the relief of loneliness for the elderly, but more specifically, the benefits provided by the Society include:

- Providing residential accommodation to elderly people who are unable to look after themselves.
- Caring for elderly people who are frail and need long term nursing care.
- Providing sheltered housing to elderly people unable to live on their own.
- Providing domiciliary care to the community.

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

REPORT OF THE BOARD OF TRUSTEES

FOR THE YEAR ENDED 30TH JUNE 2021
(Continued)

Objectives of the Society
The long-term objectives of the Society are set by its objects, as per 3.1 of the Articles of Association. The Society is established for the relief and care of an increasing number of elderly persons of all classes, beliefs and nationalities suffering from the disabilities of old age or otherwise in need by the provision and management of housing including social housing, accommodation or assistance for such persons on a not-for-profit basis. The short-term objective is to ensure that the company is viable and to ensure that it can continue to meet its long-term objective.

Measurement of success against aims and objectives
The Trustees have referred to the guidance in the Charity Commission general guidance on public benefit when reviewing the aims and objectives of the Society and in planning its activities and in measuring its success against those aims and objectives. The objects will be principally attained by the provision of nursing care, living assistance, meals and accommodation in the care homes that are run by the Society. The Society measures its success against long-term objectives by the level, quality, range of care provided, and consistently high occupancy levels. Short-term success is measured by achievement of a sustainable net surplus.

As well as the financial position the Society is continually monitoring its performance by the use of questionnaires completed by both sponsors and residents.

Value for money
Through the Trustee structure of the Society, it is able to maintain its fees at a level below that of other providers offering similar levels of care/services in its geographical locality. The Board is therefore very content that its service users are being offered value for money. The Society's principal funding source is fees paid by our service users, and fees paid on behalf of our service users by County Councils and Care Commissioning Groups.

Value for Money metrics

In response to the Regulator of Social Housing Technical note of June 2019 the Society reports Value for Money metrics. There are 7 metrics covered by this technical note. The Society has chosen to publish comparatives from The Abbeyfield Society (TAS) – Housing Association Number H1046.

Metric 1 – Reinvestment %

This metric looks at the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held.

The Society has not provided any new supply in year and hence this percentage effectively reflects the capitalised maintenance spend as a proportion of book cost.

Metrics 2 – New supply delivered %

No new supply has been delivered by the Society in the year of either social housing or non-social housing.

Metrics 3 – Gearing %

The Society's sheltered social housing is all owned freehold and is owned outright. The Society has one long term loan against one of its care homes, Wey Valley House.

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

REPORT OF THE BOARD OF TRUSTEES

FOR THE YEAR ENDED 30TH JUNE 2021
(Continued)

Metrics 4 – Earnings before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %

The only interest paid by the Society relates to the loan identified in Metric 3.

Metric 5 – Headline social housing cost per unit

Metric 6 – Operating Margin %

Metric 7 – Return on capital employed (ROCE) %

This metric compares the operating surplus to total assets less current liabilities.

		Year ended 30/06/2021	Year ended 30/06/2020	Comparator
Metric 1	- Care	**1.1%**	1.4%	
	- Sheltered	**1.0%**	0.0%	
	- Overall	**1.0%**	0.9%	6.3%
Metric 2		**0.0%**	0.0%	4.9%
Metric 3		**-35.6%**	-19.0%	13.4%
Metric 4		**-7,081.7%**	-240.9%	-2,511%
Metric 5	- Care	**£46,570**	£46,132	
	- Sheltered	**£22,578**	£18,248	
	- Overall	**£41,262**	£39,963	£32,621
Metric 6	- Care	**0.4%**	5.3%	
	- Sheltered	**-52.2%**	-29.5%	-19.9%
	- Overall	**-3.9%**	-3.4%	-13.9%
Metric 7		**-1.4%**	-1.2%	-4.7%

Results for the year
The Financial Statements have been prepared in accordance with the Housing & Regeneration Act 2008 and The Accounting Direction for Private Registered Providers of Social Housing 2019 and the Charities SORP.

The care and management activities of the Society during the year show an operating deficit of £178,982 (2020: £196,155) on a turnover of £4,623,653 (2020: £4,720,042). After adjusting for net investment returns, and investment and property revaluations, the resulting Net movement in funds as identified on the SOFA are a reduction of £51,277 (2020: gain £23,616).

Within this result, the Home Care business generated a turnover of £194,335 (2020: £165,847).

Donations received in the year amounted to £7,410 (2020: £11,606). The excess of interest payable over that receivable amounted to £3,342 (2020: net receivable interest of £3,791).

Since the outbreak of Covid-19 early in 2020 the business has been adapting to the new norm and is pleased to report that to date the impact on the Society has not been as severely felt as that reported for the care industry as a whole. We have received £208k in support grants from SCC and our staff have managed magnificently. The Board are very grateful for the dedication and hard work of all the staff in this very trying period.

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

REPORT OF THE BOARD OF TRUSTEES

FOR THE YEAR ENDED 30TH JUNE 2021
(Continued)

Our Home Care services are also adapting well but have suffered slightly by a reluctance of new service users to take up such services. The service has returned a small surplus for the first time this financial year.

The Trustees are satisfied with the result for the year, despite having returned an operating deficit of 2.3%. The deficit caused by the ongoing Covid crisis. The deficit would undoubtedly been much larger but for the financial support provided by the Government. Fees were increased for current service users by between 3.5% and 4.5% from 1st October 2020, dependent on the service accessed. This was slightly higher than reported CPI and RPI figures but is representative of cost increases in the care sector.

Fixed Assets
Additions and disposals of fixed assets together with movements in the associated depreciation provisions are set out in Note 9. The Board are satisfied that the value of its housing stock is comparable to the aggregate book value of fixed assets. The book value of the Society's land and building assets at the 30th June 2021 was £8.9million. Associated with these assets are historic Social Housing Grants which are identified in Note 16 amounting to £3.75million.

Just prior to the balance sheet date the Society completed on the sale of The Oaks in Liss, Hampshire for £1.25million. This property had no Social Housing Grant attached to it.

Investments
The Society continues to hold investments managed by Barclays Wealth in one of their Charity Unit trusts. Details of movements within the investment can be found in Note 10. Needless to say there has been much volatility within the investment markets over the last 18 months. Losses initially caused by the Covid crisis have now been fully recovered.

Reserves Policy
The Charity Commission expects that all charities have plans to spend the money that they receive for charitable purposes. However, they also expect charities to hold reserves to meet specific longer-term charitable purposes, and also to mitigate the risks inherent in their businesses. The Trustees believe that the Society requires adequate reserves:

1. To address the possibility of a rapid downturn in occupancy level which would adversely affect our income generation. Thus, a reserve would be needed to allow for a restructuring of the Society.
2. To enable an orderly liquidation in the most unlikely event of the Society needing to cease operation.
3. To ensure its existing operations remain fit for purpose, and to ensure the financial flexibility to develop new services in existing and potentially new locations.
4. The Society, in line with its charitable objectives, intends to ensure that its services are available to those in need.

The Balance Sheet shown in these financial statements, and broken down in more detail in Note 18, shows the Society to have total funds of £12,831,638 at 30th June 2021. Of this balance, £2,899,483 is held in restricted funds as identified in Note 18 to the accounts.

A 'Prudential Reserve' to support the business risks identified in 1 and 2 above, has been increased by £50,000 to £850,000. This reserve is held in liquid assets for immediate use if required.

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

REPORT OF THE BOARD OF TRUSTEES

FOR THE YEAR ENDED 30TH JUNE 2021
(Continued)

A 'Designated Reserve' is held at £8,539,803 to cover item 3.

The Property revaluation reserve has been transferred back to the Revenue Reserve with the sale of the property to which it related.

Finally, in order to adequately perform its charitable purposes, identified in 4, the Society holds a 'Revenue Reserve' at the 30th June 2021 of £542,352. These reserves, together with those reserves gained from historical mergers are held within the Fixed Assets of the Society together with those net current assets not already allocated to the 'Prudential Reserve' and the 'Designated Reserve'.

The Trustees review Reserve balances annually to ensure they are adequate, and that they are held in appropriate asset types.

Future Plans

The Trustees have reluctantly decided to close the Castle Gate sheltered house in Guildford as it became uneconomical to maintain. The property is hoped to sell for in excess of net book value. The Trustees are very aware that following the sale of Castle Gate it will be a cash rich entity and has already put plans in place to redevelop and extend Wey Valley House. The Social Housing Grant associated with Castle Gate to be recycled into this project.

There are also plans to develop the Society's Home Care services by opening new offices in the locality of its current sheltered homes within the next two years.

Additionally, the Trustees remain focused on local Abbeyfield mergers and is currently in active discussions with two local Societies.

The Trustees also remain in conversation with The Abbeyfield Society looking at the possibility of local business mergers, providing that such does not compromise the beneficiaries of either party.

Organisation Structure
The members of the Board of Trustees have overall responsibility for ensuring that the Society has appropriate systems of control, care, financial and otherwise. The systems of financial control are designed to provide reasonable, but not absolute, assurance against any material financial misstatement, especially of loss. They include an annual budget, approved by the Board of Trustees, regular review of actual results and variances from budget, and delegation of authority and segregation of duties as far as possible given staffing levels. The Board meets eight times a year.

The Society operated two separate sub-committees corresponding to the core areas of the Society's business; namely Care, and Finance. Each is headed by a trustee and reports directly to the Board of Trustees. These sub-committees meet at least four times a year.

The Chair of each sub-committee and the Board Chair form the Remuneration Committee which meets once a year to agree Management pay setting for the upcoming year. No Trustees are paid for their services although expenses incurred in the course of their duties are encouraged to be claimed.

The Society has a very strong and effective Board of Trustees. We maintain a matrix of people against needed skills and experience. The Trustees are thus able to consider all issues coming before them in a proper manner, but consultants are used where particular specialist advice is required.

Trustees are usually recommended to us or come forward as volunteers, though it is becoming increasingly difficult to find suitable individuals who are prepared to take on the responsibility involved. We would welcome trustees of any gender, sexual orientation, or ethnic background but sadly at the present time we have no-one from one of the minority communities. This is undoubtedly due to the demographic makeup of the local area.

All new trustees are interviewed by the Chairman, Vice-Chairman and Chief Executive prior to appointment. They then have an induction programme of at least a day. The aforementioned three people monitor the performance of the Board on a continuous basis and equally the trustees are encouraged to provide feedback to the Chairman and Vice Chairman on the latter's performance.

Risk management
The Board of Trustees formally monitors risks annually and sets up policies to mitigate them.

The members of the Board of Trustees are committed to ensuring that the Society's system of internal controls is adequate and effective. A number of steps have been taken to enhance further the existing systems of internal control. These include:

a) A progressive revision and upgrade of risk management arrangements; and
b) A review of the Operational Risk Assessment programme to incorporate both qualitative and compliance review of all of the Society's activities.

The Society maintains an Assets & Liabilities register, and completes an annual Stress Test of the Societies financial strength. Both have given further confidence to the Trustees that the Society is in a strong position to continue its service and meet its public benefit for the foreseeable future.

Health and safety
The Society is aware of its responsibilities on matters relating to health and safety. The Society has prepared detailed health and safety policies and provides training and education on health and safety matters.

Statement of the Board of Trustees Responsibilities
The Charities Act 2011 and Companies Act 2006, and Registered Social Housing legislation requires the Board to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Society as at the end of that financial period and of the surplus or deficit of the Society for the period ended on that date. In preparing these financial statements suitable accounting policies have been used, framed to the best of the Board's knowledge and belief, by reference to reasonable and prudent judgments and estimates and applied consistently. Applicable UK accounting standards and statements of recommended practice have been followed. The Board is also required to indicate where the financial statements are prepared other than on the basis that the Society is a going concern.

The Board of Trustees is responsible for ensuring the keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Society and which enable them to ensure that the accounts comply with the Charities Act 2011, the Companies Act 2006, the Housing & Regeneration Act 2008 and The Accounting Direction for Private Registered Providers of Social Housing 2019. They are responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

REPORT OF THE BOARD OF TRUSTEES

FOR THE YEAR ENDED 30TH JUNE 2021
(Continued)

Provision of information to Auditors

So far as each Member of the Board is aware at the time the report is approved:

- There is no relevant audit information of which the company's auditors are unaware, and
- The Board members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Signed on behalf of the Board



Mr Brian Thomas: Chairman

Dated: 10th December 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

OF ABBEYFIELD WEY VALLEY SOCIETY LIMITED

Opinion

We have audited the financial statements of Abbeyfield Wey Valley Society Limited (the 'Society') for the year ended 30th June 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Society's affairs as at 30th June 2021 and of its income and expenditure, including its result, 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, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the Society 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 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

OF ABBEYFIELD WEY VALLEY SOCIETY LIMITED
(Continued)

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the Society and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees
As explained more fully in the Statement of Trustees Responsibilities set out on page seven, the trustees (who are also the directors of the Society for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Society which have a direct impact on the financial statements and determined that the most significant are the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Companies Act 2006 and Standards issued by the Regulator of Social Housing.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

OF ABBEYFIELD WEY VALLEY SOCIETY LIMITED
(Continued)

- We understood how the Society is complying with those frameworks via communication with those charged with governance, together with the review of the Society's documented policies and procedures.
- We assessed the susceptibility of the Society's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. These included risks associated with revenue recognition, management override of controls and the increased incentive and pressure to commit fraud due to the Covid-19 environment, which were discussed and agreed by the audit team.
- Our approach included agreeing the Society's recognition of income to the terms of the underlying contract, the review of journal entries processed in the accounting records and the investigation of significant and unusual transactions identified from our review of the accounting records, and the review of government support scheme grants received to ensure they were not fraudulently claimed.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the Society.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report
This report is made solely to the Society's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Elkins FCA
Senior Statutory Auditor
Knox Cropper LLP
Chartered Accountants and Statutory Auditors
Office Suite 1, Haslemere House
Lower Street
Haslemere
Surrey GU27 2PE

Dated: 20th December 2021

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 30TH JUNE 2021

	Notes	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Restated Unrestricted funds £	2020 Restated Restricted funds £	2020 Restated Total funds £
Income from							
Donations and grants	3	7,340	208,064	215,404	21,117	54,357	75,474
Charitable Activities	4	4,405,353	-	4,405,353	4,637,218	-	4,637,218
Investments	5	20,593	-	20,593	32,293	-	32,293
Other		2,896	-	2,896	1,320	-	7,320
		4,436,182	208,064	4,644,246	4,697,948	54,357	4,752,305
Expenditure on							
Raising Funds		2,454	-	2,454	3,268	-	3,268
Charitable Activities	6	4,558,559	247,441	4,806,000	4,831,743	86,852	4,918,595
		4,561,013	247,441	4,808,454	4,835,011	86,852	4,921,863
Gains/(losses) on revaluation of investments		112,931	-	112,931	(56,826)	-	(56,826)
Net income/(expenditure)		(11,900)	(39,377)	(51,277)	(193,889)	(32,495)	(226,384)
Other recognised gains/(losses)							
Gain on revaluation of tangible fixed assets		-	-	-	250,000	-	250,000
Net movement in funds		(11,900)	(39,377)	(51,277)	56,111	(32,495)	23,616
Funds brought forward 1st July 2020							
Originally stated		9,944,055	84,222	10,028,277	9,887,944	79,191	9,967,135
Prior year adjustment	27	-	2,854,638	2,854,638	-	2,892,164	2,892,164
As restated		9,944,055	2,938,860	12,882,915	9,887,944	2,971,355	12,859,299
Funds carried forward 30th June 2021		9,932,155	2,899,483	12,831,638	9,944,055	2,938,860	12,882,915

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

BALANCE SHEET

AT 30TH JUNE 2021

	Notes	2021	2020 Restated
		£	£
Tangible Fixed Assets			
Housing Properties at Depreciated Cost	9	8,940,947	10,254,969
Vehicles	9	14,583	19,444
Fixtures, fittings and equipment	9	133,276	156,571
Investments	10	872,471	741,424
		9,961,277	11,172,408
Current Assets			
Stocks	11	6,005	6,005
Trade and Other Debtors	12	119,259	111,477
Cash and Cash Equivalents	13	3,218,873	1,985,229
		3,344,137	2,102,711
Current Liabilities			
Creditors: amounts falling due within one year	14	437,759	355,784
Net Current Assets		2,906,378	1,746,927
Long Term Liabilities			
Creditors: amounts falling due after one year	15	36,017	36,420
TOTAL NET ASSETS		£12,831,638	£12,882,915
Capital and Reserves			
Unrestricted Reserves	18	9,932,155	9,944,055
Restricted Reserves	19	2,899,483	2,938,860
TOTAL FUNDS		£12,831,638	£12,882,915

The Financial Statements were approved at the Board of Trustees meeting on 10th December 2021, and signed on its behalf by:

.....
Mr B Thomas – Chairman

.....
Mr D Hutchinson – Secretary

.....
Mr P Duffy – Treasurer

ABBEYFIELD WAY VALLEY SOCIETY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30TH JUNE 2021

	Notes	2021	2020 Restated
		£	£
NET CASH GENERATED FROM OPERATING ACTIVITIES	A	147,889	297,160
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property components		(93,473)	(95,976)
Purchase of other fixed assets		(51,701)	(38,332)
Proceeds from sale of fixed assets		1,234,624	-
Disposal of investments (Note 11)		2,682	2,708
Investment income		23	7,256
Investment management fees		(2,454)	(2,231)
Movement in cash held in investments		(228)	105
TOTAL CASHFLOWS FROM INVESTING ACTIVITIES		1,089,473	(126,470)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		(3,365)	(3,465)
Repayment of Loans		(353)	(259)
		(3,718)	(3,724)
NET CHANGE IN CASH AND CASH EQUIVALENTS		1,233,644	166,966
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		1,985,229	1,818,263
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	B	£3,218,873	£1,985,229

A	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Net (expenditure)/income for the year	(51,277)	(226,384)
	Depreciation	237,352	229,591
	Development costs	-	275,062
	Investment Income and Interest Receivable	(20,593)	(32,293)
	Interest Payable	3,365	3,465
	Decrease/(increase) in Stock	-	-
	(Increase)/decrease in Debtors	(7,782)	9,906
	Increase/(decrease) in Creditors	81,925	(24,444)
	Loss on Sale of Assets	15,376	3,200
	Unrealised (gains)/losses on investments	(112,931)	56,826
	Investment management fees	2,454	2,231
		£147,889	£297,160
B	**CASH AND CASH EQUIVALENT**		
	Bank Balances	3,218,873	1,985,229
		£3,218,873	£1,985,229

ANALYSIS OF CHANGES IN NET DEBT	**At 1st July 2020**	**Cash Flows**	**At 30th June 2021**
	£	£	£
Cash	1,985,229	1,233,644	3,218,873
Loans falling due within one year	(300)	(50)	(350)
Loans falling due in more than one year	(36,420)	403	(36,017)
	£1,948,509	£1,233,997	£3,182,506

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2021

1. **Status of the Society**
The Society is registered under the Charities Act 2011 (Registered Number 1168173) and the Companies Act 2006 (Registered Number 10259078). The Society is also registered under the Housing & Regeneration Act 2008 (Regulator of Social Housing number H3294).

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Society's accounts.

2.1 **Basis of Accounting and Assessment of Going Concern:**
The financial statements have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) Second Edition, the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Abbeyfield Wey Valley Society Limited is a public benefit entity and applies FRS 102 accordingly. The accounts comply with the Companies Act 2006, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing in England 2019.

The accounts have been prepared in £GBP sterling, which is the functional currency of the Society. Monetary amounts in these financial statements are rounded to the nearest £.

The Trustees consider there are no material uncertainties about the Society's ability to continue as a going concern.

2.2 **Fixed Assets – Housing Land and Buildings**
Housing land and buildings are stated at cost. The cost of properties is their purchase price together with incidental costs of acquisition including interest payable. Interest payable is capitalised by applying the Society's cost of borrowing to expenditure during the construction or refurbishment of any property up to the date of practical completion. Additionally, any professional fees incurred in the construction or refurbishment of any property are also capitalised cost.

In accordance with paragraph 17.16 of FRS 102, properties are accounted for on a component cost basis. In the absence of more precise information, the value of each component has been established using a matrix agreed between the National Housing Federation and the Institute of Chartered Accountants of England & Wales, with the exception of the Hatch Mill redevelopment of 2012 for which component information was available.

2.3 **Social Housing Grant**
Where developments have been financed wholly or partially by Social Housing Grant, the grant is recognised as income when received or receivable in accordance with the performance model. Social Housing Grant may be repayable in certain circumstances including the sale of the property or a change in its use.

2.4 **Fixed Assets: Fixtures, Fittings and Equipment**
Assets donated to the Society are not included in the balance sheet. Other assets are included at cost. Only assets purchased with a cost greater than £1,000 are capitalised.

2.5 **Loan Finance Costs**
Costs incurred in the securing and raising of loan finance are amortised over the period of the loan.

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2021
(Continued)

2.6 **Income**

All income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income can be measured reliably.

Turnover represents fees receivable, and income from care at home services which are recognised in the period to which they relate, together with the amortisation of Social Housing Grant.

Monetary donations to the Society are credited to the Statement of Financial Activities when it is probable that they will be received.

Grants are credited to the Statement of Financial Activities when it is probable that they will be received and any conditions have been satisfied.

2.7 **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Society to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Resources expended includes VAT which cannot be recovered.

2.8 **Depreciation**

The cost of completed Housing Properties (net of the cost of land) is depreciated over the life of the properties. Properties are accounted for on a component cost basis with each component being depreciated over its estimated useful life. The principal components and the depreciation rate applied to each component are set out below:

	Years		Years
Land	n/a	Kitchen	20
Main Structure & Fabric	100	Bathroom/W.C.	30
Roof & Covering	70	Heating/ventilation/plumbing	30
Windows and External Doors	30	Electrics	40
Gas Boilers	15	Lift	20
Grounds and gardens	15	Internal structures	20

- Leasehold Land is amortised over the term of the 125 year lease which began in 1983.
- Fixtures, fittings & equipment are depreciated over a 5 year life on a straight line basis.
- Computer equipment is depreciated over a 3 year life on a straight line basis.
- Vehicles are depreciated on a 25% reducing balance basis.

A full year's depreciation is charged on fixed assets in the year of purchase, with no charge applied in the year of disposal. Assets in the course of construction are not depreciated until they are brought into use.

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2021
(Continued)

2.9 **Stocks**
Stocks are valued at the lower of cost or net realisable value, and comprise primarily of food stocks and cleaning materials.

2.10 **Debtors and creditors**
Trade and Other Debtors are classified as basic financial instruments and are measured and recorded in the accounts at the initial transaction price.

Debtors and Creditors are subsequently measured at amortised cost using the effective interest rate method. Financial assets classified as receivable within one year and financial liabilities classified as payable within one year are not amortised.

2.11 **Corporation Tax and VAT**
The Society has charitable status and is exempt from Corporation Tax. The Society is not registered for VAT. No VAT is charged to residents and expenditure in the Statement of Financial Activities includes the relevant VAT.

2.12 **Pensions**
The Society operates a pension scheme for employees which meets the requirements of being a Qualifying Workplace Pension Scheme. The scheme is administered and operated by Standard Life Assurance Company who hold the assets of the scheme. It is a voluntary defined contribution scheme which is now closed to new members. The Society additionally operates an auto-enrolment pension scheme which is operated through the National Employment Savings Trust (NEST) with both employees and the Society paying contributions monthly to NEST on a percentage of 'Qualifying Earnings' basis.

2.13 **Significant Management Judgements and Estimation Uncertainties**

Impairment:
Properties are assessed for impairment when there is an indication that the property has been impaired. This includes properties in the course of development. The assessment is carried out by comparing the carrying value of the property with its recoverable amount (taking into account service potential), and, where applicable, the property is written down to its recoverable amount.

Depreciation:
The depreciation of property components is based on management's estimate of their useful lives which is kept under review.

Doubtful Debts provision:
The provision for doubtful debts is based on management's estimate of the recoverability of residents' arrears. No provision for doubtful debts is thought to be needed at 30th June 2021.

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2021
(Continued)

3.	**Income from donations and grants**	**2021** £	**2020** £
	Infection Control Fund Grants	207,994	51,004
	Donations and bequests	7,410	24,470
	Total income from donations and grants	£215,404	£75,474

4.	**Income from charitable activities**		
	Gross fees from accommodation services	5,324,862	5,013,111
	Less voids	(1,113,844)	(541,740)
	Net fees receivable from accommodation services	4,211,018	4,471,371
	Home Care activities	194,335	165,847
	Net fees from all activities	£4,405,353	£4,637,218

5.	**Investment income**		
	Interest on funds on call and short notice	23	7,256
	Accumulated income	20,570	25,037
	Total investment income	£20,593	£32,293

6.	**Expenditure on charitable activities**		
	Employee costs, agency staff and training	3,298,860	3,184,362
	Catering	222,825	243,084
	Other care expenses	161,656	165,606
	Establishment expenses	176,215	168,823
	Repairs and maintenance	284,297	227,005
	Vehicle costs	4,668	4,718
	Depreciation and amortisation	252,728	232,791
	Residents' amenities	18,938	29,851
	Interest payable	3,365	3,465
	Debt provision and write-offs	12,221	10,722
	Aborted development costs	-	275,062
	General management expenses	112,887	117,198
	Support costs (note 7)	257,340	255,908
	Total expenditure on charitable activities	£4,806,000	£4,918,595

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2021
(Continued)

7. **Support costs**

	2021	2020
	£	£
Employee costs	140,586	132,227
Administration costs	91,942	97,007
Payroll fees	8,132	8,322
Professional fees	6,690	8,442
Auditors' remuneration	9,990	9,910
Total support costs	£257,340	£255,908

Remuneration payable to the auditors for the auditing of the accounts, excluding VAT, amounted to £8,325 (2020: £7,950).

8. **Particulars of turnover, operating costs and operating surplus**

2021	Care Homes	Housing	Home Care	Other	TOTAL
Fees at full occupancy	4,869,672	-	-	-	4,869,672
Home Care fees	-	-	194,335	-	194,335
Other income (grants/donations)	207,994	-	-	10,306	218,300
Rental income at full occupancy	-	113,481	-	-	113,481
Service charges	-	341,709	-	-	341,709
Gross Income (before voids)	5,077,666	455,190	194,335	10,306	5,737,497
Voids	(1,021,365)	(92,479)	-	-	(1,113,844)
Net incomes (after voids)	4,056,301	362,711	194,335	10,306	4,623,653
Direct Costs	(3,794,679)	(477,242)	(196,745)	-	(4,468,666)
Surplus/(deficit) before central overhead	261,622	(114,531)	(2,410)	10,306	154,987
Central overhead allocation	(249,062)	(70,756)	(14,151)	-	(333,969)
Operating surplus/(deficit)	12,560	(185,287)	(16,561)	10,306	(178,982)

8. **Particulars of turnover, operating costs and operating surplus (continued)**

2020	Care Homes	Housing	Home Care	Other	TOTAL
Fees at full occupancy	4,585,854	-	-	-	4,585,854
Home Care fees	-	-	165,847	-	165,847
Other income (grants/donations)	51,004	-	-	31,790	82,794
Rental income at full occupancy	-	110,176	-	-	110,176
Service charges	-	317,081	-	-	317,081
Gross Income (before voids)	4,636,858	427,257	165,847	31,790	5,261,752
Voids	(464,765)	(76,975)	-	-	(541,740)
Net incomes (after voids)	4,172,093	350,282	165,847	31,790	4,720,042
Direct Costs	(3,747,510)	(668,697)*	(181,012)	(4,067)	(4,601,286)
Surplus/(deficit) before central overhead	424,583	(318,415)	(15,165)	27,723	118,726
Central overhead allocation	(234,827)	(66,712)	(13,342)	-	(314,881)
Operating surplus/(deficit)	189,756	(385,127)	(28,507)	27,723	(196,155)

* Includes £275,062 written off aborted development costs in relation to our site known as 'The Oaks' in Liss, Hampshire, as identified in Note 4. The normalised Operating Deficit for Housing therefore being £103,335.

9. **Tangible Fixed Assets**

	Freehold Buildings £	Freehold Land £	Long Leasehold Land £	Long Leasehold Buildings £	Sub Total Land & Buildings £	Fixtures Fittings & Equipment £	Vehicles £	Total £
Cost								
At 1st July 2020	8,949,246	1,420,000	69,048	1,799,436	12,237,730	746,348	53,278	13,037,356
Additions	75,136	-	-	18,337	93,473	51,701	-	145,174
Disposals	(1,250,000)	-	-	-	(1,250,000)	(80,073)	-	(1,330,073)
At 30th June 2021	7,774,382	1,420,000	69,048	1,817,773	11,081,203	717,976	53,278	11,852,457
Depreciation								
At 1st July 2020	1,363,677	-	20,848	598,236	1,982,761	589,777	33,834	2,606,372
Provision for the year	128,242	-	552	28,701	157,495	74,996	4,861	237,352
On disposal	-	-	-	-	-	(80,073)	-	(80,073)
At 30th June 2021	1,491,919	-	21,400	626,937	2,140,256	584,700	38,695	2,763,651
Net Book Amount								
At 30th June 2020	£7,585,569	£1,420,000	£48,200	£1,201,200	£10,254,969	£156,571	£19,444	£10,430,984
At 30th June 2021	£6,282,463	£1,420,000	£47,648	£1,190,836	£8,940,947	£133,276	£14,583	£9,088,806

Note (a) A loan from Orchardbrook Limited of £36,367 (2020: £36,720) is secured on the long leasehold property.

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2021
(Continued)

		2021 £	2020 Restated £
10.	**Investments**		
	Balance brought forward	741,424	776,026
	Accumulated income	20,570	25,037
	Disposals	(2,682)	(2,708)
	Realised and unrealised gains/(losses)	112,931	(56,826)
	Movement in cash	228	(105)
		£872,471	£741,424
11.	**Stocks**		
	Household supplies	£6,005	£6,005
12.	**Trade and Other Debtors**		
	Residents' fees	63,198	65,890
	Less provision for doubtful debts	-	(9,513)
		63,198	56,377
	Other debtors	250	9,207
	Prepayments and accrued income	55,811	45,893
		£119,259	£111,477
13.	**Cash and Cash Equivalents**		
	COIF Deposit Account	1,229,475	1,228,997
	Barclays Bank	1,987,882	755,060
	Cash in hand	1,516	1,172
		£3,218,873	£1,985,229
14.	**Creditors: Amounts falling due within one year**		
	Loan from Orchardbrook Limited (Note 16a)	350	300
	Trade creditors	101,698	62,319
	Social Security and PAYE	74,741	70,304
	Other creditors	61,928	61,435
	Accruals and deferred income	199,041	161,426
		£437,758	£355,784

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2021
(Continued)

15. **Creditors: amounts falling due after one year**		2021 £	2020 Restated £
Loan from Orchardbrook Limited	Note (a)	36,017	36,420

Note (a) A 60 year loan taken out in 1986 to help fund the development of Wey Valley House. Interest is fixed at 9.5% and is secured by a legal charge over Wey Valley House.

16. **Social Housing Grant**

	2021 £	2020 Restated £
Aggregate amount received		
At 1st July 2020 and 30th June 2021	3,752,630	3,752,630
Released to SOFA		
At 1st July 2020	3,752,630	3,752,630
Released for the period	-	-
At 30th June 2021	3,752,630	3,752,630
Net Book Amount		
At 30th June 2020	£ -	£ -
At 30th June 2021	£ -	£ -

17. **Reserves:**

Movement During The Year	**Opening Balance 01/07/2020** £	**Total Comprehensive Income** £	**Transfers To/(from) Reserves** £	**Closing Balance 30/06/2021** £
Unrestricted Reserves				
Designated Reserves	8,589,803	-	(50,000)	8,539,803
Revenue Reserve	304,252	(11,900)	250,000	542,352
Prudential Reserve	800,000	-	50,000	850,000
Revaluation Reserve	250,000	-	(250,000)	-
Total Unrestricted Reserves	9,944,055	(11,900)	-	9,932,155
Restricted Funds (Note 18)	2,938,860	(39,377)	-	2,899,483
	£12,882,915	£(51,277)	£ -	£12,831,638

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2021
(Continued)

The Designated Reserve represents those reserves allocated by the Society to ensure its existing operations remain fit for purpose, and to develop new services.

The Prudential Reserve represents the funds necessary to cope with a downturn in the economic environment in which the Society operates, or in a worst case scenario to allow an orderly liquidation of the Charity.

18. **Restricted Funds**

	Opening Balance 01/07/2020	Income	Expenditure	Closing Balance 30/06/2021
	£	£	£	£
Hatch Mill garden fund	8,229	70	-	8,299
Roundhay	10,000	-	-	10,000
Guildford Houses fund	60,737	-	(67)	60,670
Disabled Vehicle Fund	950	-	-	950
ICF– Hatch Mill	9,500	80,567	(90,067)	-
ICF – Wey Valley House	(600)	43,640	(43,040)	-
ICF – Ridgway Court	(4,594)	26,855	(22,261)	-
RTF – Hatch Mill	-	30,364	(28,203)	2,161
RTF – Wey Valley House	-	16,447	(16,156)	291
RTF – Ridgway Court	-	10,121	(10,121)	-
Fixed Assets Fund	2,854,638	-	(37,526)	2,817,112
	£2,938,860	£208,064	£(247,441)	£2,899,483

Restricted Funds

During the year the Society received £207,994 in restricted grants under the government's Infection Control Funds and Rapid Testing Funds to meet additional costs incurred as a result of the Covid19 pandemic. The Roundhay fund is established to support residents who may require additional financial support, and the Guildford Houses reserve is to make life easier for residents who are hard of hearing and for their general comfort in either of the Guildford Houses.

The Fixed Assets Fund represents that element of the fixed assets of the Society which has been funded by social housing grants receivable from government.

19. **Contingent Liabilities**

There we no contingent liabilities at either 30th June 2021 or 30th June 2020.

20. **Capital Commitments**

At 30th June 2021 and 30th June 2020 the Society had no capital commitments.

The Board has approved the budget for the year ended 30th June 2022 which includes capital costs of £176,000 (2021: £339,800).

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2021
(Continued)

21. **Employees**

	2021 £	2020 £
Salaries and wages	2,903,658	2,683,076
Employers' Social Security costs	214,012	198,726
Pensions	136,143	125,606
	£3,253,813	£3,007,408

The average number of employees in the period was 165 (2020: 166), which equated to approximately 124 full time equivalent heads (2020: 124).

22. **Payments to Members, Trustees and Officers**

No fees or remuneration were paid during this year or last to any of the Members or Trustees. Expenses reimbursed to Trustees in the current financial year amounted to £Nil (2020: £1,089).

The aggregate amount of emoluments, including pension contributions, payable to the Key Management Personnel in the year were £456,029 (2020: £411,617).

The full time equivalent number of staff whose remuneration payable was more than £60,000 is:

	2021	2020
£90,000 – £100,000	1	1
£60,000 – £70,000	1.7	1.7
	2.7	2.7

Included within the above were payments to the CEO, being the highest paid employee amounting to £97,589 for the year excluding pension contributions (2020: £86,002).

The CEO is a member of the Society's employee defined contribution scheme. The Society contributes to the CEO's pension at 7% of salary with the CEO contributing 5% of her salary. No special or enhanced terms apply.

23. **Controlling Party**

The Board of Trustees are the ultimate controlling party of the Society.

24. **Units in Management**

	Residential	Nursing	Sheltered	Total
Wey Valley House, Farnham	26	-	-	26
Hatch Mill, Farnham	19	27	-	46
Ridgway Court, Farnham	16	-	-	16
Kemnal, Haslemere	-	-	7	7
Roundhay, Guildford	-	-	10	10
Castle Gate, Guildford	-	-	8	8
Total	61	27	25	113

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2021
(Continued)

25. **Net Assets by fund**

	Unrestricted £	Restricted £	2021 Total £
Fixed Assets	7,144,165	2,817,112	9,961,277
Current Assets	3,261,766	82,371	3,344,137
Current Liabilities	(437,759)	-	(437,759)
Long Term Liabilities	(36,017)	-	(36,017)
Total	£9,932,155	£2,899,483	£12,831,638

	Unrestricted £	Restricted £	2020 Total £
Fixed Assets	8,317,770	2,854,638	11,172,408
Current Assets	2,018,489	84,222	2,102,711
Current Liabilities	(355,784)	-	(355,784)
Long Term Liabilities	(36,420)	-	(36,420)
Total	£9,944,055	£2,938,860	£12,882,915

ABBEYFIELD WEY VALLEY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2021 (Continued)

26. **Reserves:**

Prior Year Movement Restated	**Opening Balance 01/07/2019** £	**Total Comprehensive Income** £	**Transfers To/(from) Reserves** £	**Closing Balance 30/06/2020** £
Unrestricted Funds				
Designated Reserves	8,589,803	-	-	8,589,803
Revenue Reserve	498,141	(193,889)	-	304,252
Prudential Reserve	800,000	-	-	800,000
Revaluation Reserve	-	250,000	-	250,000
Total Unrestricted Funds	9,887,944	56,111	-	9,944,055
Restricted Funds	2,971,355	(32,495)	-	2,938,860
	£12,859,299	£23,616	£ -	£12,882,915

Restricted Funds	**At 01/07/2019** £	**Income** £	**Expenditure** £	**At 30/06/2020** £
Hatch Mill Garden Fund	7,504	725	-	8,229
Roundhay	10,000	-	-	10,000
Guildford Houses Fund	60,737	-	-	60,737
Disabled Vehicle Fund	950	-	-	950
Defibrillator Fund	-	2,628	(2,628)	-
ICF– Hatch Mill	-	27,202	(17,702)	9,500
ICF – Wey Valley House	-	14,735	(15,335)	(600)
ICF – Ridgway Court	-	9,067	(13,661)	(4,594)
Fixed Assets Fund	2,892,164	-	(37,526)	2,854,638
	£2,971,355	£54,357	£(86,852)	£2,938,860

27. **Prior year adjustment**

The Society previously prepared its financial statements in accordance with the Housing SORP. During the year, it was identified that recent changes to the Housing SORP and the Accounting Direction meant that, because the charity's principal activities are not governed by the Landlord and Tenant Act 1985, it should instead be applying the Charities SORP. The Charities SORP requires all government grants to be recognised using the performance model, whereas the Housing SORP required government grants related to housing properties measured at cost to be recognised using the accrual model. As a result, the change in applicable SORP necessitated a change in accounting policy. The financial statements have therefore been restated as if this new accounting policy had always been in place.

The effect of the restatement at the start of the comparative year (1 July 2019) was to reduce creditors due within one year by £37,526 and reduce creditors due in more than one year by £2,854,638 and increase restricted funds by £2,892,164. Income and the net result for the year ended 30 June 2020 were reduced by £37,526. At 30 June 2020, creditors due within one year were reduced by £37,526, creditors due in more than one year were reduced by £2,817,112, and restricted funds were increased by £2,854,638.