

ABBNEYFIELD WEY VALLEY SOCIETY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2021



KNOX CROPPER
chartered accountants

ABBNEYFIELD WEY VALLEY SOCIETY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2021

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ABBNEYFIELD 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 |

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

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.

ABBNEYFIELD 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.

ABBNEYFIELD 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.

ABBNEYFIELD 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.

ABBNEYFIELD 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.

ABBNEYFIELD WEY VALLEY SOCIETY LIMITED

REPORT OF THE BOARD OF TRUSTEES

FOR THE YEAR ENDED 30TH JUNE 2021

(Continued)

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.

ABBNEYFIELD 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 | | | 2020 Restated | | |
|--|-------|-------------------------|-----------------------|------------------|-------------------------|-----------------------|------------------|
| | | Unrestricted funds £ | Restricted funds £ | Total funds £ | Unrestricted funds £ | Restricted funds £ | 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 |

ABBNEYFIELD 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 |
| | | <hr/> | <hr/> |
| | | 9,961,277 | 11,172,408 |
| | | <hr/> | <hr/> |
| 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 |
| | | <hr/> | <hr/> |
| | | 3,344,137 | 2,102,711 |
| | | <hr/> | <hr/> |
| Current Liabilities | | | |
| Creditors: amounts falling due within one year | 14 | 437,759 | 355,784 |
| | | <hr/> | <hr/> |
| Net Current Assets | | 2,906,378 | 1,746,927 |
| | | <hr/> | <hr/> |
| Long Term Liabilities | | | |
| Creditors: amounts falling due after one year | 15 | 36,017 | 36,420 |
| | | <hr/> | <hr/> |
| TOTAL NET ASSETS | | £12,831,638 | £12,882,915 |
| | | <hr/> | <hr/> |
| Capital and Reserves | | | |
| Unrestricted Reserves | 18 | 9,932,155 | 9,944,055 |
| Restricted Reserves | 19 | 2,899,483 | 2,938,860 |
| | | <hr/> | <hr/> |
| TOTAL FUNDS | | £12,831,638 | £12,882,915 |
| | | <hr/> | <hr/> |

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

ABBNEYFIELD 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 |

ABBNEYFIELD 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.

ABBNEYFIELD 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:

| | <u>Years</u> | | <u>Years</u> |
|----------------------------|---------------------|------------------------------|---------------------|
| 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.

ABBNEYFIELD 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.

ABBNEYFIELD 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 |
| | | <hr/> | <hr/> |
| | Total income from donations and grants | £215,404 | £75,474 |
| | | <hr/> | <hr/> |
| 4. | Income from charitable activities | | |
| | Gross fees from accommodation services | 5,324,862 | 5,013,111 |
| | Less voids | (1,113,844) | (541,740) |
| | | <hr/> | <hr/> |
| | Net fees receivable from accommodation services | 4,211,018 | 4,471,371 |
| | Home Care activities | 194,335 | 165,847 |
| | | <hr/> | <hr/> |
| | Net fees from all activities | £4,405,353 | £4,637,218 |
| | | <hr/> | <hr/> |
| 5. | Investment income | | |
| | Interest on funds on call and short notice | 23 | 7,256 |
| | Accumulated income | 20,570 | 25,037 |
| | | <hr/> | <hr/> |
| | Total investment income | £20,593 | £32,293 |
| | | <hr/> | <hr/> |
| 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 |
| | | <hr/> | <hr/> |
| | Total expenditure on charitable activities | £4,806,000 | £4,918,595 |
| | | <hr/> | <hr/> |

ABBNEYFIELD 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 |
| | <hr/> | <hr/> |
| Total support costs | £257,340 | £255,908 |
| | <hr/> | <hr/> |

Remuneration payable to the auditors for the auditing of the accounts, excluding VAT, amounted to £8,325 (2020: £7,950).

ABBNEYFIELD WEY VALLEY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2021
(Continued)

8. Particulars of turnover, operating costs and operating surplus

| <u>2021</u> | <u>Care Homes</u> | <u>Housing</u> | <u>Home Care</u> | <u>Other</u> | <u>TOTAL</u> |
|---|--------------------------|-----------------------|-------------------------|---------------------|---------------------|
| 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) |

ABBNEYFIELD WEY VALLEY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2021
(Continued)

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

| <u>2020</u> | <u>Care Homes</u> | <u>Housing</u> | <u>Home Care</u> | <u>Other</u> | <u>TOTAL</u> |
|---|--------------------------|-----------------------|-------------------------|---------------------|---------------------|
| 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.

ABBNEYFIELD WEY VALLEY SOCIETY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30TH JUNE 2021**
(Continued)**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.

ABBNEYFIELD 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) |
| | <hr/> | <hr/> |
| | £872,471 | £741,424 |
| | <hr/> | <hr/> |
| 11. Stocks | | |
| Household supplies | £6,005 | £6,005 |
| | <hr/> | <hr/> |
| 12. Trade and Other Debtors | | |
| Residents' fees | 63,198 | 65,890 |
| Less provision for doubtful debts | - | (9,513) |
| | <hr/> | <hr/> |
| | 63,198 | 56,377 |
| Other debtors | 250 | 9,207 |
| Prepayments and accrued income | 55,811 | 45,893 |
| | <hr/> | <hr/> |
| | £119,259 | £111,477 |
| | <hr/> | <hr/> |
| 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 |
| | <hr/> | <hr/> |
| | £3,218,873 | £1,985,229 |
| | <hr/> | <hr/> |
| 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 |
| | <hr/> | <hr/> |
| | £437,758 | £355,784 |
| | <hr/> | <hr/> |

| | | 2021 £ | 2020 Restated £ | | |
|-----|--|---|---|---|---|
| 15. | Creditors: amounts falling due after one year | | | | |
| | 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 £ |
| | <i>Unrestricted Reserves</i> | | | | |
| | 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 |
| | <i>Restricted Funds</i> (Note 18) | 2,938,860 | (39,377) | - | 2,899,483 |
| | | | | | |
| | | £12,882,915 | £(51,277) | £ - | £12,831,638 |

ABBNEYFIELD 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 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | £2,938,860 | £208,064 | £(247,441) | £2,899,483 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

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 were 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 |
| | <hr/> | <hr/> |
| | £3,253,813 | £3,007,408 |
| | <hr/> | <hr/> |

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 |
| | <hr/> | <hr/> |
| | 2.7 | 2.7 |
| | <hr/> | <hr/> |

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 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total | 61 | 27 | 25 | 113 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

ABBNEYFIELD 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) |
| | <hr/> | <hr/> | <hr/> |
| Total | £9,932,155 | £2,899,483 | £12,831,638 |
| | <hr/> | <hr/> | <hr/> |
| | 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) |
| | <hr/> | <hr/> | <hr/> |
| Total | £9,944,055 | £2,938,860 | £12,882,915 |
| | <hr/> | <hr/> | <hr/> |

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 £ |
|-------------------------------------|---|---|---|---|
| <i>Unrestricted Funds</i> | | | | |
| 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 |
| <i>Restricted Funds</i> | | | | |
| | 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.