

ABBEYFIELD SILVERDALE SOCIETY

England & Wales · Charity number 1174376

Details

Other names THE ABBEYFIELD SILVERDALE AND DISTRICT SOCIETY LTD

Status Registered

Legal form Charitable company

Company number [10845391](#)

Registered 2017-08-24

Register [View on the Charity Commission register](#)

Contact

Address Abbeyfield Silverdale Society
Cove House
Cove Road
Silverdale
Carnforth
LA5 0SG

Phone 01524701219

Email information@covehouse.org.uk

Website www.abbeyfield.com/northern/c/cove-house-la5-0sg/

Activities

Objects: THE SOCIETY IS ESTABLISHED FOR THE PUBLIC BENEFIT FOR THE FOLLOWING OBJECTS:1. THE RELIEF AND CARE OF ELDERLY PERSONS SUFFERING FROM THE DISABILITIES OF OLD AGE OR OTHERWISE BEING IN NEED, INCLUDING BY THE PROVISION AND MANAGEMENT OF HOUSING AND/OR RESIDENTIAL CARE HOMES AND/OR HOSTELS. IN THE FURTHERANCE OF THESE OBJECTS, BUT NOT OTHERWISE, THE SOCIETY MAY:(A) PROVIDE AND MAINTAIN OR ASSIST IN PROVIDING AND MAINTAINING HOUSING AND/OR RESIDENTIAL CARE HOMES AND/OR HOSTELS FOR SUCH ELDERLY PERSONS; AND(B) PROVIDE OR ASSIST IN PROVIDING CARE, SUPPORT, AMENITIES OR SERVICES FOR THE BENEFIT OF SUCH ELDERLY PERSONS.2. SUCH OTHER PURPOSES RECOGNISED BY ENGLISH LAW AS CHARITABLE AS THE SOCIETY SHALL DETERMINE FROM TIME TO TIME.

Activities: The Society's primary activity is to provide care and support to older people through the provision of residential care services at its site in Silverdale, Lancashire, plus a retirement living complex and a supported living unit, also on site. These services are open to all older people in need regardless of their

mental or physical frailty and include people with dementia and end of life care.

Classification

- **How:** Provides Services
- **What:** General Charitable Purposes, Disability, Accommodation/housing
- **Who:** Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,013,413	£1,320,199	£2,863,722	29
2024-03-31	£1,218,125	£1,152,126	£2,170,508	21
2023-03-31	£1,127,372	£1,074,518	£2,104,509	26
2022-03-31	£962,118	£956,005	£2,051,655	29
2021-03-31	£978,931	£944,916	£2,045,542	20

Trustees

Name	Role	Appointed
BRIAN WHITLOCK COOPER		2025-07-01
Diane Craig		2025-08-18
Dr Alexander Gaw		2024-03-01
Edna Ashcroft		2025-08-18
Francis Michael Casson		2019-03-01
Geoffrey Walker		2021-11-04
John Robson		2005-11-14
Mervyn Glyn Squires		2025-08-18

ABBNEYFIELD SILVERDALE SOCIETY

England & Wales - Charity number 1174376

Accounts

Registered number: 10845391
Charity number: 1174376

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

ArmstrongWatson[®]
Accountants, Business & Financial Advisers

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND DIRECTORS
AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2025**

Trustees and Directors	Canon P K Warren, President (resigned 30 September 2024) Dr A Wells Mr J W Robson Mrs S Caddy Mr M Casson Mr A G Davies (resigned 30 September 2024) Dr J Greenwell Dr N Martin (resigned 30 June 2024) Mr G Walker, Chair Dr A R Gaw E Ashcroft (appointed 18 August 2025) Mr B Cooper (appointed 1 July 2025) D Craig (appointed 18 August 2025) Mr M Squires (appointed 18 August 2025)
Company registered number	10845391
Charity registered number	1174376
Registered office	Cove House Cove Road Silverdale Carnforth Lancashire LA5 0SG
Company Secretary	Catherine Humphreys ACMA
Chief Executive Officer	Catherine Humphreys ACMA
Independent auditors	Armstrong Watson Audit Limited Chartered Accountants and Statutory Auditors James Watson House Montgomery Way Rosehill Carlisle Cumbria CA1 2UU
Solicitors	Harrison Drury Solicitors Park Hill House Cherestanc Square Garstang Preston PR3 1EF

ABBAYFIELD SILVERDALE SOCIETY
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CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

The Chairman presents his statement for the year.

The period since the last AGM in September 2024 has seen significant change, and without doubt has been one of the most important periods in the history of the Abbeyfield Silverdale Society (ASS). Three key events need to be highlighted:

1. Trustees at the Lytham, Leigh and Barrow societies passed resolutions to transfer the assets and liabilities of their societies to ASS. The trustees at ASS similarly passed resolutions and as a result Lytham, Leigh, and Barrow Abbeyfield societies have merged into Abbeyfield Silverdale.
2. The Regulator of Social Housing approved our bid to become a Registered Provider of Social Housing.
3. Full Planning Approval was given by Lancaster Planning for our planned major Supported Housing extension at Cove House.

The aforementioned will clearly have a major impact on Governance, Strategy and Operations moving forward. We will need to expand and diversify our staffing structure to reflect the addition of housing within our portfolio, and of course our Trustees will need to represent all our locations and properties. Trustees will need to be aware of new Regulatory frameworks, new building and capital projects, and budgetary and staffing systems. Harmonisation of all processes will take at least 18 months and I believe that the period ahead will be exciting, and on occasion, challenging! I am optimistic that we have the staff expertise and Trustee skill and experience to ensure successful integration. I am also delighted that staff and trustees from all societies have been able to work in such a supportive manner during this transitional period.

The CHIP group (Cove House Improvement Plan) and HPA Architects have already had several meetings regarding the new extension. We aim to progress this hugely important project during the coming year and will focus on developing a business case and the procurement and tendering processes.

The external social, financial and political environment continue to offer significant challenges to the care sector but we have managed to navigate these turbulent times in an effective manner. As you will see from the financial section in the Directors' report we have had another positive year. We ensure that quality of our provision is never taken for granted and during this year have worked with an external consultant who has challenged us in a number of areas. Trustees and our care staff are working together on an Action Plan focussing on continuous improvement.

During the period 2024-2025, Abbeyfield England (AE) has developed and matured and now represents all Member Societies in an effective and efficient manner. Our society plays a major role in the organisation – I continue to sit on the national AE Board and our Chief Executive Officer contributes at both a local and national level. We are undoubtedly a major player within the Abbeyfield family.

As I have already stated, this year has been busy and challenging and, as ever, I wish to place on record my sincere thanks to all of you – Staff, Volunteers and Trustees. In particular, I want to thank our Chief Executive Officer who has been central to the positive developments mentioned in the report.

Finally, I would like to warmly thank those long-standing trustees who are leaving the Board at the AGM. Your contributions have been significant and have played a major part in ensuring that our society is in such a good place.



.....
Geoff Walker
Chair of the Board of Trustees

Date: 20 November 2025

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees of Abbeyfield Silverdale Society ("the Society") are pleased to present their annual Trustees' report and financial statements for the year ending 31 March 2025. The financial statements are prepared in accordance with the current Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102 effective 1 January 2019). In addition, the financial statements are prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The principal purpose of the Society is:

The relief and care of elderly persons suffering from the disabilities of old age or otherwise being in need, including by the provision and management of housing and/or residential care homes and/or hostels.

In the furtherance of these objects, but not otherwise, the Society may:

- (a) provide and maintain or assist in providing and maintaining housing and/or residential care homes and/or hostels, and/or social housing for such elderly persons; and
- (b) provide or assist in providing care, support, amenities or services for the benefit of such elderly persons.

The Society operates a residential care home for 23 elderly people and a retirement living complex, Cove Orchard, on its site in Silverdale, north Lancashire. On December 1st 2024, the Society took over the supported living houses at two properties in Lytham St Anne's, looking after the needs of up to 19 residents. This forms the basis of the Society's primary activities, which are to provide care and support to older people. Abbeyfield Silverdale Society (the Society) is a member of the Abbeyfield movement, whose purposes have been regarded as being for the public benefit for over 60 years. By providing accommodation and services the Society meets the needs of older people for accommodation and other services suited to their needs. These services are open to all older people in need regardless of their mental or physical frailty. These include, but are not limited to, people living with dementia and frailty as well as those being supported at the end of their life.

Through the provision of its services, the Society aims also to combat the loneliness and social isolation that is often associated with old age and improve the physical, mental and social wellbeing of residents through the provision of appropriate and inclusive activities, often carried out by volunteers.

The Society serves the local community but does not apply any form of restriction, geographical or otherwise to members of the public who would seek to make use of its services. The Society's residential care operations are regulated by the Care Quality Commission, which has rated its services as 'Good' for several years.

The services offered by the Trustees of the Society are deemed to be beneficial by their nature and are available to a large section of the public. In common with many charitable care homes, the Society charges for its services in order to provide sustainable, high-quality care for older people. The charges are in a broad range and considered affordable in the market. Beneficiaries need to be able to afford their accommodation and service costs either from their own means or from funders such as local authorities. The number of local authority funded residents varies from time to time and no limit is placed on the number accepted by the Society. Different styles of accommodation are offered at different rates in order to promote maximum inclusivity and access to the Society's services. In addition, some services provided by the Society are subsidised to ensure that they are widely affordable, for example when meals are provided to the residents of Cove Orchard this is done so at cost price and assistance equipment supplied free of charge.

ABBAYFIELD SILVERDALE SOCIETY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Objectives and activities (continued)

b. Main activities undertaken to further the company's purposes for the public benefit

The Trustees have considered the guidance issued by the Charity Commission in respect of public benefit and confirm through their activities and objectives that they adhere to this guidance.

The views and opinions of our residents and their families are regularly sought about the activities that the Society undertakes. A record of these consultations is available for inspection.

Achievements and performance

a. Review of activities

The 2024-2025 financial year marked a period of significant change for Abbeyfield Silverdale Society, with the completion of the merger with Abbeyfield Lytham St Anne's and, in the post balance sheet period, two further mergers and confirmation of the Society's registration with the Housing Regulator. This marks the completion of a significant part of the Society's five year strategy and brings with it an increased level of financial stability and viability. The Society now operates in a wider geographical area; in Lancashire on the Fylde coast and in Silverdale, in Barrow in Furness and in Leigh; providing supported housing and residential care to 75 older people, which is in addition to the Cove Orchard owner occupier independent living bungalows and apartments on the Silverdale site. The diversification of income streams and vertical integration of different levels of housing and care has mitigated some of the uncertainties associated with wider adult social care policy.

The provision of a high quality service to the Society's residents and stakeholders remains central to the objectives of the trustees. The trustees and staff remain ambitious about achieving an outstanding rating from CQC at its residential care home in Silverdale and are focussed on continued improvement in standards of care. The Society adopts a number of ways in which to receive feedback, including direct surveys of residents' family members and friends and the traditional comment boxes in each of its locations. Regular meetings with residents facilitates feedback on a wide range of subjects from menu planning to activities; high levels of satisfaction remain and there have been no formal complaints received through the Society's complaints procedure during the reporting period.

In December 2024, the Society's planning application with Lancaster City Council was passed, thus enabling the project to build a new 10 bed supported housing block plus an extension to Cove House and replacement of run down outbuildings to move forward. The units will be for rent only and at a social housing rent, subject to the Society being confirmed as a registered social housing provider.

The Society's staff continue to support residents of Cove Orchard independent living as and when requested but is limited to pastoral, non-regulated support only, such as the provision of meals and equipment. The Society is proud to be one of the few organisations in this region to have developed housing specially designed for older people to enable them to successfully live independently into older age; many of the Cove Orchard residents are now in their nineties.

Support for staff and staff wellbeing is an integral part of the ethos and culture of Abbeyfield Silverdale Society. All staff are encouraged and supported to increase the depth and breadth of their skills whether vocational or non-vocational and the trustees remain committed to The Living Wage Foundation principles in their approach to pay awards for staff.

ABBNEYFIELD SILVERDALE SOCIETY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

b. Fundraising

The Charities Act 2011 requires charities to make a statement regarding fundraising activities. Where fundraising is carried out the amounts raised are presented in the accounts as voluntary income and include legacies and grants.

c. Investment policy and performance

The Society does not currently hold an investment portfolio in stocks, shares or other investment vehicles. Its liquid reserves are held in FSCS fully protected deposit accounts and managed by a cash management company to maximise interest.

Financial review

a. Reserves policy

The Society's reserves are made up of both cash reserves and physical assets and the Trustees have structured the reserves into designated funds in order to meet the needs of both its strategic plans and its operational activities. The main physical asset of the Society is Cove House for which the Maintenance Fund is designated to cover ongoing repairs and renovations to the house to ensure it meets the needs of the residents. The remaining funds are structured to support the Society's strategic objectives and its obligations under the Cove Orchard lease.

The Society's free reserves are made up of the nominal balance sheet value of its main physical assets, including Cove House plus the value of three months operating costs. The operating costs are based on the cost per day of providing residential care services.

b. Financial review

The financial year end surplus reflects the transfer of assets from Abbeyfield Lytham St Anne's Society, following the merger on November 30th 2024. The details are reflected in the SOFA, the Balance Sheet and Statement of Cash Flows. After taking account of the transfer of assets, the Society had a successful financial year for 2024-25 resulting in an overall surplus of £40,754 or 3% on turnover. The total annual occupancy level for residential care for the year was 91%, slightly below the long term average of 93%.

During the year, the primary source of income for the Society came from its residential care service, with housing income through rent and service charge accounting for £145,574. Trustees are always mindful of the cost of housing, whether residential care or supported living and remain committed to ensuring fees reflect value for money as well as to ensuring cost management discipline.

Overall expenditure on charitable activities increased by 12%, but this included legal costs expensed in the year of £15,500 related directly to the Lytham merger. Staff costs also increased, partly due to direct cost increases but also reflecting additional posts acquired through the merger. Other costs remained stable after accounting for the impact of the additional expenditure associated with the new housing operations. The Society is an accredited Living Wage Foundation employer and implements the recommended increase in hourly rates of pay across all job functions; the Trustees are absolutely committed to recognising the value of staff through its commitment to the Living Wage Foundation rate.

Income from residential care fees increased during the year, largely as a result of fee increases, which were kept below the national average for the sector. In addition, the Society has seen a significant improvement in receipts from interest on cash deposits as interest rates remained high during the financial year.

ABBNEYFIELD SILVERDALE SOCIETY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Financial review (continued)

Capital investment in the Society's buildings continued during the financial year, including at the Lytham St Anne's properties following the merger. Residential care rooms are regularly updated for decoration and carpeting but more significant renovation work is only carried out following a full evaluation. Significant capital expenditure had been carried out in the previous financial year and consequently the revenue expenditure on the fabric of Cove House was much less in 2024-2025. Capital expenditure was incurred to install IT equipment at the Lytham houses at a cost of £5,000 and an upgrade to the Cove Orchard fire alarm and the installation of CCTV at the Silverdale site at a combined cost of £14,000. Additional fees were incurred in relation to the Society's planning application and development project which are reflected in the Property under construction figure in the Balance Sheet

On March 31st 2025, the Society had net assets of £2.864 million comprising tangible fixed assets and assets under construction of £1,403 million and current assets of £1.460 million. During the year there was a net increase in cash, due primarily to the transfer of assets from the Abbeyfield Lytham Society.

The Society's financial resources consist of cash reserves on deposit which are sufficient to meet its day to day requirements. The statement of cash flows on page 17 of the financial statements details the movement in cash during the financial year. Cascade Cash Management continue to manage the Society's cash reserves, which are fully protected under the Financial Services Compensation Scheme. The trustees remain of the view that the financial protection of the Society's reserves is its highest priority and as such may forego higher interest rate opportunities in order to maintain full FSCS protection. The Society's development plans will require use of its liquid reserves within three to five years, which is the basis of the Society's current policy on reserves.

The Society's reserves are made up of both cash reserves and physical assets; the trustees have structured the reserves into designated funds in order to meet the needs of both its strategic plans and its operational activities. The main physical assets of the Society are its properties at the Silverdale site (Cove House) and at the Lytham site (Park Avenue and Cecil Street). The Maintenance Fund is designated to cover ongoing repairs and renovations to the property assets to ensure they meet the needs of the residents. The remaining funds are structured to support the Society's strategic objectives and its obligations under the Cove Orchard lease.

c. Going concern

The purpose of the Society's reserves is to provide sufficient protection for the Society against changing financial circumstances and to support future business development initiatives to enable the Society to continue to fulfil its principal purpose. The level of general reserves as reflected in Note 17 to the financial statements is represented by tangible assets and net current assets and is considered sufficient for the Society to meet its short to medium term expenditure obligations. The Society's cash reserves significantly outweigh its short term and long term liabilities.

The Trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Structure, governance and management

a. Constitution

The company is registered as a members' limited liability company number 10845391 and was set up by Memorandum of Association on 30 June 2017.

The Society is also registered with and regulated by the Charity Commission for England and Wales, registration number 1174376.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The composition of the Board, the method of appointment of Trustees and the retirement or removal of Trustees is covered in detail in clauses 19 and 20 of the Articles of Association of the Society.

c. Organisational structure and decision making policies

All operational decision making is delegated by the Board of Trustees to the Chief Executive Officer as head of staff. Financial delegation is documented in the Society's Financial Standing Orders. The Financial Standing Orders were reviewed during the year and are being updated to reflect the changed structure of the Society.

The Board of Trustees currently meets ten times per annum and receives detailed financial and operational reports from the Chief Executive Officer and the Registered Care Manager, which enables the trustees to discharge their statutory and governance duties.

d. Policies adopted for the induction and training of Trustees

All Trustees receive documents published by the Charity Commission relating to the role of a trustee. New trustees are encouraged to inform themselves about the role and responsibility of a trustee through the extensive information available online and in printed format from The Charity Commission and other well established not for profit representative organisations. New trustees spend time with the Chief Executive Officer and the Registered Care Manager in order to get a detailed understanding of the financial position and other operational issues affecting the Society.

e. Pay policy for key management personnel

The Remuneration committee, a sub-committee of the Board of Trustees, meets on an annual basis to consider the salaries of the Chief Executive Officer and the Registered Care Manager. The Remuneration committee makes a recommendation to the Board of Trustees for approval. The Remuneration committee is chaired by a Trustee other than the Chair of the Society.

f. Risk management

The Trustees consider the risks facing the Society as part of the Board annual review cycle. The most significant risks to which the Society is exposed are updated in the corporate risk register, in particular those relating to finance, governance and operations. The Trustees are satisfied that there are systems and procedures in place to mitigate the Society's exposure to the most significant risks.

Trustees are indemnified by a trustee indemnity insurance policy provided by Abbeyfield England as part of the membership agreement. Additional professional indemnity insurance is in place to provide extended cover to trustees and senior staff.

ABBNEYFIELD SILVERDALE SOCIETY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Plans for future periods

In October 2023 the trustees confirmed the principles underpinning the Society's strategy for 2023-2028 as:

- The provision of the highest quality standard of care to all its users
- Financial sustainability
- Diversification of offering to include supported housing for older people

The Society's trustees recognise the importance of diversifying the Society's income in order to mitigate potential future financial risks and to prevent the Society becoming over reliant on income from its residential care services. The merger with the Lytham St Anne's Society on November 30th 2024 and the subsequent mergers in the post balance sheet period have contributed significantly to the achievement of these principles, alongside the planning application approval. The business objective remains to re-balance the Society's income streams more evenly between residential care and supported housing, whilst remaining true to its charitable objectives.

The focus for the forthcoming period is the harmonisation of business operations, policies and procedures across all sites which is expected to take 12 to 18 months.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

ABBNEYFIELD SILVERDALE SOCIETY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Auditors

The auditors, Armstrong Watson Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
Geoff Walker
Chair of the Board of Trustees
Date: 20 November 2025

ABBEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBEYFIELD SILVERDALE SOCIETY

Opinion

We have audited the financial statements of Abbeyfield Silverdale Society (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure 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 Charities Act 2011.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustees' 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 charitable 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 Trustees with respect to going concern are described in the relevant sections of this report.

ABBEYFIELD SILVERDALE SOCIETY
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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBEYFIELD SILVERDALE SOCIETY
(CONTINUED)

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

ABBEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBEYFIELD SILVERDALE SOCIETY
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Trustees and other management, and from our commercial knowledge and experience of the not for profit sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud, and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias and
- investigated the rationale behind significant or unusual transactions.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBNEYFIELD SILVERDALE SOCIETY
(CONTINUED)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Care Quality Commission, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or 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 Auditors' Report.

Use of our report

This report is made solely to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's Trustees 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 charitable company and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Armstrong Watson Audit Limited

Armstrong Watson Audit Limited
Chartered Accountants and Statutory Auditors
Carlisle

Date: *2 December 2025*

Armstrong Watson Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:				
Donations and legacies	4	652,455	652,455	55
Charitable activities	5	1,315,434	1,315,434	1,187,922
Investments	6	45,524	45,524	30,148
Total income		2,013,413	2,013,413	1,218,125
Expenditure on:				
Charitable activities	7	1,320,199	1,320,199	1,152,126
Total expenditure		1,320,199	1,320,199	1,152,126
Net movement in funds		693,214	693,214	65,999
Reconciliation of funds:				
Total funds brought forward		2,170,508	2,170,508	2,104,509
Net movement in funds		693,214	693,214	65,999
Total funds carried forward		2,863,722	2,863,722	2,170,508

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 36 form part of these financial statements.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10845391

BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	12	1,309,834	892,466
Property under construction	13	93,409	68,961
		1,403,243	961,427
Current assets			
Debtors	14	88,312	74,564
Cash at bank and in hand		1,483,647	1,234,292
		1,571,959	1,308,856
Creditors: amounts falling due within one year	15	(111,480)	(99,775)
		1,460,479	1,209,081
Total assets less current liabilities		2,863,722	2,170,508
Total net assets		2,863,722	2,170,508

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10845391

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Charity funds			
Restricted funds	16	-	-
Unrestricted funds	16	2,863,722	2,170,508
Total funds		<u>2,863,722</u>	<u>2,170,508</u>

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Geoff Walker
 Chair of the Board of Trustees

Date: 20 November 2025

The notes on pages 18 to 36 form part of these financial statements.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	2025 £	2024 £
Cash flows from operating activities		
Net cash used in operating activities	721,895	46,218
Cash flows from investing activities		
Dividends, interests and rents from investments	45,524	30,148
Purchase of tangible fixed assets	(35,233)	(146,856)
Purchase of property under construction additions	(24,448)	(42,294)
Donation of assets from merger	(458,383)	-
Net cash used in investing activities	(472,540)	(159,002)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	249,355	(112,784)
Cash and cash equivalents at the beginning of the year	1,234,292	1,347,076
Cash and cash equivalents at the end of the year	1,483,647	1,234,292

The notes on pages 18 to 36 form part of these financial statements

ABBAYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. General information

Abbeyfield Silverdale Society is a charitable company without share capital, incorporated in England and Wales. The registered office is Cove House, Cove Road, Silverdale, Carnforth, Lancashire, LA5 0SG and the company number is 10845391.

The Charity's principal business activity is the provision of residential care to the elderly.

The presentational and functional currency of the financial statements is Pound Sterling.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Companies Act 2006.

Abbeyfield Silverdale Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2.3 Going concern

The Trustees have indicated that they believe that the charity is a going concern. When making this assessment, the Trustees have considered the financial requirements of the charity for a period beyond 12 months from the date of signing the financial statements. Net assets at the balance sheet date were £2,864k and cash reserves were £1,483k.

The Trustees believe the level of liquid reserves held by the charity are sufficient to allow the charity to meet its liabilities as they fall due and so consider the charity a going concern.

ABBAYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.4 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the company, can be reliably measured.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.7 Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives,

Depreciation is provided on the following bases:

Freehold property	- 1-11% straight line
Care equipment	- 10-33% straight line
Fixtures and fittings	- 10-33% straight line
Office equipment	- 10-33% straight line

Where there is a refurbishment of communal areas or residents rooms which have been capitalised as freehold property additions, depreciation is charged at more appropriate rates and over shorter time periods to reflect the periodic nature of enhancement and replacement of assets to suit the living needs of the residents.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.12 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

ABBAYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

a) Establishing useful economic lives

Establishing useful economic lives for depreciation purposes of property, plant and equipment comprise a significant portion of the total fixed assets. The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review these assets useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation charges for the period. Details of the depreciation policies based on estimated useful economic lives are included in accounting policies note 2.8.

4. Income from donations and legacies

	Unrestricted funds 2025 £	Total funds 2025 £
Donations	652,455	652,455

	Unrestricted funds 2024 £	Total funds 2024 £
Donations	55	55

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

5. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £
Provision of residential care at Cove House	1,169,860	1,169,860
Independent living at Cove Orchard	75,667	75,667
Independent living at Lytham	69,907	69,907
Total 2025	1,315,434	1,315,434
	Unrestricted funds 2024 £	Total funds 2024 £
Provision of residential care at Cove House	1,138,507	1,138,507
Independent living at Cove Orchard	27,373	27,373
Other income from Abbeyfield Societies	22,042	22,042
Total 2024	1,187,922	1,187,922

6. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £
Investment income	45,524	45,524
	Unrestricted funds 2024 £	Total funds 2024 £
Investment income	30,148	30,148

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025	Total 2025
	£	£
Provision of residential care at Cove House	1,252,181	1,252,181
Independent living at Cove Orchard	68,018	68,018
Total 2025	1,320,199	1,320,199

	Unrestricted funds 2024	Total 2024
	£	£
Provision of residential care at Cove House	1,090,840	1,090,840
Independent living at Cove Orchard	61,286	61,286
Total 2024	1,152,126	1,152,126

Summary by expenditure type

	Staff costs 2025	Depreciation 2025	Other costs 2025	Total 2025
	£	£	£	£
Provision of residential care at Cove House	827,715	66,531	357,935	1,252,181
Independent living at Cove Orchard	32,718	3,987	31,313	68,018
	860,433	70,518	389,248	1,320,199

	Staff costs 2024	Depreciation 2024	Other costs 2024	Total 2024
	£	£	£	£
Provision of residential care at Cove House	731,355	62,761	296,724	1,090,840
Independent living at Cove Orchard	18,480	3,887	38,919	61,286
	749,835	66,648	335,643	1,152,126

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

8. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Provision of residential care at Cove House	1,046,145	206,036	1,252,181
Independent living at Cove Orchard	48,172	19,846	68,018
	<u>1,094,317</u>	<u>225,882</u>	<u>1,320,199</u>
	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Provision of residential care at Cove House	929,573	161,267	1,090,840
Independent living at Cove Orchard	27,720	33,566	61,286
	<u>957,293</u>	<u>194,833</u>	<u>1,152,126</u>

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Provision of residential care at Cove House 2025 £	Independent living at Cove Orchard 2025 £	Total funds 2025 £
Staff costs	696,940	18,850	715,790
Depreciation	66,531	3,987	70,518
Hotel, travel and subsistence	9,623	-	9,623
Printing and stationery	2,735	-	2,735
Advertising and promotion	6,506	-	6,506
Legal and professional, regulation costs (incl. DBS)	26,794	-	26,794
Bank charges	1,552	-	1,552
Rates and water	16,048	3,273	19,321
Light and heat	39,154	6,160	45,314
Cleaning	10,994	-	10,994
Repair and maintenance	82,137	15,227	97,364
Residents' comforts & welfare	3,427	-	3,427
Food costs	71,835	243	72,078
Sundry expenses	11,869	432	12,301
Total 2025	1,046,145	48,172	1,094,317

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	As restated Provision of residential care at Cove House 2024 £	As restated Independent living at Cove Orchard 2024 £	As restated Total funds 2024 £
Staff costs	625,798	358	626,156
Depreciation	62,761	3,887	66,648
Hotels, travel and subsistence	6,353	-	6,353
Printing and stationery	2,684	-	2,684
Advertising and promotion	5,862	-	5,862
Legal and professional, regulation costs (incl. DBS)	17,553	-	17,553
Bank charges	1,840	-	1,840
Rates and water	5,461	6,956	12,417
Light and heat	31,867	2,940	34,807
Cleaning	7,533	1,320	8,853
Repair and maintenance	77,407	11,653	89,060
Residents' comforts & welfare	5,780	-	5,780
Food costs	61,264	282	61,546
Sundry expenses	17,410	324	17,734
Total 2024 as restated	929,573	27,720	957,293

The prior year comparative figures have been restated to correct an apportionment of direct and support costs. This restatement does not affect the overall total expenditure incurred in the year.

Analysis of support costs

	Provision of residential care at Cove House 2025 £	Independ't living at Cove Orchard 2025 £	Total funds 2025 £
Staff costs	130,775	13,868	144,643
Telephone and fax	3,900	396	4,296
IT software, licenses	21,344	-	21,344
Legal and professional, regulation costs (incl. DBS)	19,596	300	19,896
Auditors' remuneration	16,946	2,160	19,106
Insurance	13,475	3,122	16,597
Total 2025	206,036	19,846	225,882

ABBAYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	As restated Provision of residential care at Cove House 2024 £	As restated Independent living at Cove Orchard 2024 £	As restated Total funds 2024 £
Staff costs	105,557	18,122	123,679
Telephone and fax	3,210	396	3,606
Computer costs	23,656	-	23,656
Legal and professional, regulation costs (incl. DBS)	3,901	10,300	14,201
Auditors' remuneration	14,210	1,800	16,010
Insurance	10,733	2,948	13,681
	<u>161,267</u>	<u>33,566</u>	<u>194,833</u>

The prior year comparative figures have been restated to correct an apportionment of direct and support costs. This restatement does not affect the overall total expenditure incurred in the year.

9. Auditors' remuneration

	2025 £	2024 £
Fees payable to the company's auditor for the audit of the company's annual accounts	14,864	14,510
All assurance services not included above	-	-
	<u>14,864</u>	<u>14,510</u>

10. Staff costs

	2025 £	2024 £
Wages and salaries	783,868	690,690
Social security costs	61,041	46,706
Contribution to defined contribution pension schemes	15,524	12,440
	<u>860,433</u>	<u>749,836</u>

Included within the value of total staff costs are agency costs in respect of the catering function and dedicated care agency personnel.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

10. Staff costs (continued)

The average number of persons employed by the company during the year was as follows:

	2025 No.	2024 No.
Management and administration	7	6
Catering and housekeeping	9	7
Care staff	13	14
	29	27
	29	27

The average headcount expressed as full-time equivalents was 22.

	2025 No.	2024 No.
Management and administration	7	6
Catering and housekeeping	5	5
Care staff	10	10
	22	21
	22	21

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025 No.	2024 No.
In the band £60,001 - £70,000	1	1

Key management personnel comprise the senior managers of the Society. Their aggregate remuneration was £127,026 (2024 - £126,251).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 March 2025, expenses totaling £180 were reimbursed or paid directly to one Trustee (2024 - £105).

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

12. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation						
At 1 April 2024	1,173,873	124,725	9,326	64,220	84,582	1,456,726
Additions	19,918	10,189	-	-	5,126	35,233
Transfer from other societies	719,808	-	-	322,993	-	1,042,801
Disposals	-	-	-	(5,730)	-	(5,730)
At 31 March 2025	<u>1,913,599</u>	<u>134,914</u>	<u>9,326</u>	<u>381,483</u>	<u>89,708</u>	<u>2,529,030</u>
Depreciation						
At 1 April 2024	368,637	89,963	1,360	35,948	68,352	564,260
Charge for the year	53,364	9,467	2,332	989	4,366	70,518
Transfer from other societies	285,523	-	-	298,895	-	584,418
At 31 March 2025	<u>707,524</u>	<u>99,430</u>	<u>3,692</u>	<u>335,832</u>	<u>72,718</u>	<u>1,219,196</u>
Net book value						
At 31 March 2025	<u>1,206,075</u>	<u>35,484</u>	<u>5,634</u>	<u>45,651</u>	<u>16,990</u>	<u>1,309,834</u>
At 31 March 2024	<u>805,236</u>	<u>34,762</u>	<u>7,966</u>	<u>28,272</u>	<u>16,230</u>	<u>892,466</u>

The cost of land and buildings is stated net of the Social Enterprise Investment Fund grant received in January 2012. The value of this grant was £149,961 and was spent entirely on improvements to residential accommodation at Cove House.

The Trustees are aware that the value of the freehold property is in excess of the cost included within the financial statements however have decided not to adopt a policy of revaluation of its properties.

On 1st December 2024 the freehold property and other assets from Abbeyfield Lytham St Annes Society were transferred at their net book value in to Abbeyfield Silverdale Society as part of a merger.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

13. Property under construction

	Property under construction £
At 1 April 2024	68,961
Additions	24,448
	93,409
At 31 March 2025	93,409

This amount relates to the Cove House refurbishment. As this work was still in progress at the year end, it was not capitalised into fixed assets.

14. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	19,242	32,263
Other debtors	15,294	16,440
Prepayments and accrued income	53,776	25,861
	88,312	74,564
	88,312	74,564

15. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	28,175	17,060
Other taxation and social security	15,462	12,134
Other creditors	39,370	42,179
Accruals and deferred income	28,473	28,402
	111,480	99,775
	111,480	99,775

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2025 £
Unrestricted funds					
Designated funds					
Cove Orchard Sinking Fund	13,177	6,000	-	-	19,177
Future Projects Fund	1,024,429	8,216	-	-	1,032,645
Maintenance Fund	100,000	-	(200,318)	200,318	100,000
	<u>1,137,606</u>	<u>14,216</u>	<u>(200,318)</u>	<u>200,318</u>	<u>1,151,822</u>
General funds					
General Funds - all funds	<u>1,032,902</u>	<u>1,999,197</u>	<u>(1,119,881)</u>	<u>(200,318)</u>	<u>1,711,900</u>
Total Unrestricted funds	<u><u>2,170,508</u></u>	<u><u>2,013,413</u></u>	<u><u>(1,320,199)</u></u>	<u><u>-</u></u>	<u><u>2,863,722</u></u>

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Unrestricted funds					
Designated funds					
Cove Orchard Sinking Fund	13,442	1,500	-	(1,765)	13,177
Future Projects Fund	1,020,000	4,429	-	-	1,024,429
Maintenance Fund	100,000	-	(179,110)	179,110	100,000
	<u>1,133,442</u>	<u>5,929</u>	<u>(179,110)</u>	<u>177,345</u>	<u>1,137,606</u>
General funds					
General Funds - all funds	971,067	1,212,196	(973,016)	(177,345)	1,032,902
Total Unrestricted funds	<u><u>2,104,509</u></u>	<u><u>1,218,125</u></u>	<u><u>(1,152,126)</u></u>	<u><u>-</u></u>	<u><u>2,170,508</u></u>

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2025 £
Designated funds	1,137,606	14,216	(200,318)	200,318	1,151,822
General funds	1,032,902	1,999,197	(1,119,881)	(200,318)	1,711,900
	<u>2,170,508</u>	<u>2,013,413</u>	<u>(1,320,199)</u>	<u>-</u>	<u>2,863,722</u>

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

17. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Designated funds	1,133,442	5,929	(179,110)	177,345	1,137,606
General funds	971,067	1,212,196	(973,016)	(177,345)	1,032,902
	<u>2,104,509</u>	<u>1,218,125</u>	<u>(1,152,126)</u>	<u>-</u>	<u>2,170,508</u>

Unrestricted funds

General funds are the 'free reserves' after allowing for all designated funds.

Designated funds

Residents' fund receives income from fundraising events and makes expenditure on activities for the direct benefit of the residents of Cove House.

Cove Orchard sinking fund - The purpose of this fund is to build up a reserve to cover significant expenditure relating to the external fabric of the Cove Orchard properties. Income is collected from every resident on an annual basis through the estate service charge as laid out in the lease agreement.

The Future Projects fund designates reserves identified for the development of services to be provided in the future by the Society, in accordance with its objects and purposes. These funds may be used to support capital or revenue investment in line with the strategic plan developed by the Society's Trustees and officers.

The Maintenance Fund has been designated by the Society's Trustees to address some of the legacy maintenance issues associated with the upkeep of Cove House residential care home.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	1,309,834	1,309,834
Assets under Construction	93,409	93,409
Current assets	1,571,959	1,571,959
Creditors due within one year	(111,480)	(111,480)
Total	2,863,722	2,863,722

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	892,466	892,466
Assets under Construction	68,961	68,961
Current assets	1,308,856	1,308,856
Creditors due within one year	(99,775)	(99,775)
Total	2,170,508	2,170,508

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net income for the year (as per Statement of Financial Activities)	693,214	65,999
Adjustments for:		
Depreciation charges	70,518	66,648
Dividends, interests and rents from investments	(45,524)	(30,148)
Loss on the sale of fixed assets	5,730	-
Increase in debtors	(13,748)	(34,461)
Increase/(decrease) in creditors	11,705	(21,820)
Net cash provided by operating activities	721,895	46,218

ABBAYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

20. Analysis of cash and cash equivalents

	2025	2024
	£	£
Cash in hand	1,483,647	1,234,292
Total cash and cash equivalents	1,483,647	1,234,292

21. Analysis of changes in net debt

	At 1 April 2024	Cash flows	At 31 March 2025
	£	£	£
Cash at bank and in hand	1,234,292	249,355	1,483,647
	1,234,292	249,355	1,483,647

22. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £14,796 (2024 - £12,535). Contributions totaling £9,157 (2024 - £6,421) were payable to the fund at the balance sheet date and are included in creditors.

23. Related party transactions

Dr June Greenwell and her husband are residents of Cove Orchard and pay the standard service fee to the Society.

24. Controlling party

The ultimate controlling party for all the financial affairs of the Society, as laid out in the Society's Articles of Association is the Executive Committee of the Board of Trustees.

ABBNEYFIELD SILVERDALE SOCIETY

England & Wales - Charity number 1174376

Accounts

Registered number: 10845391
Charity number: 1174376

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

ArmstrongWatson[®]
Accountants, Business & Financial Advisers

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND DIRECTORS
AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024**

Trustees and Directors	Canon P K Warren, President Dr A Wells Mr J W Robson Mrs S Caddy Mr M Casson Mr A G Davies Dr J Greenwell Mrs J Jones (resigned 28 September 2023) Dr N Martin (resigned 30 June 2024) Mr G Walker, Chair Dr A R Gaw (appointed 18 March 2024)
Company registered number	10845391
Charity registered number	1174376
Registered office	Cove House Cove Road Silverdale Carnforth Lancashire LA5 0SG
Company Secretary	Catherine Humphreys ACMA
Chief Executive Officer	Catherine Humphreys ACMA
Independent auditors	Armstrong Watson Audit Limited Chartered Accountants and Statutory Auditors James Watson House Montgomery Way Rosehill Carlisle Cumbria CA1 2UU
Solicitors	Progression Solicitors 11 Queen Street Ulverston Lancashire LA12 7AF

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

The Chairman presents his statement for the year.

The financial year 2023/24 was a highly significant and busy year for Abbeyfield Silverdale Society. Although there were many external developments, as ever, our principal focus remains on our core offer as a high-quality provider of care for our residents. All our decisions and discussions as Trustees focus on this. Given the many challenges and pressures for care settings in the UK, the positive financial outcome, reported on below in the Trustees' report, whilst operating for much of the year in a high inflation environment reflects well on the Society and its management. Throughout the year we were extremely fortunate to enjoy a high level of stability at all levels of staffing which transfers to the running of the home, allowing staff and residents to build up particularly good relationships. Low turnover of staff also ensures an effective training programme, and it was noticeable during the year that many staff, including Team Leaders, completed multiple health and care related training and qualifications. Trustees pass on their thanks to all staff for their huge commitment and efforts. Family and resident feedback remains positive.

Within Abbeyfield England, there has been a recent trend of closer working relationships between societies, including mergers. As the recruitment of Trustees becomes more difficult with the attendant increasing regulatory pressures, this trend is likely to continue. In last year's report I discussed our planned merger with the Barrow in Furness Society (Millennium House). We are frustrated that this has not been completed yet, due to delays with the Regulator of Social Housing but all other work has been completed and we expect confirmation of Registered Provider status very soon. Full merger is anticipated in this year (2024) and our model of joint trustee working has continued.

We have also been approached by the Trustees of the Lytham St Anne's Society and the Leigh Society to consider a full merger with the Silverdale Society. Both societies operate supported housing similar to Millennium House and our Trustees are very supportive of the proposals. The Lytham and Leigh societies are excellent houses with a tradition of knowledgeable and committed trustees working within the ethos of Abbeyfield. We have already built close working relationships with trustees and staff at the societies and the process of due diligence has started.

This is an exciting, but challenging, time for our Society. Our bed numbers will increase significantly, we will be operating in a different sector and over a wider geographical region. This will necessitate major changes for us and we will need to look at our strategic, operating and governance arrangements moving forward. We are fortunate to have highly skilled senior staff who are able to facilitate this process.

The Silverdale Society continues to play a major role within the Abbeyfield organisation. I sit on the Abbeyfield England Board chairing the Operations Group and on the Abbeyfield World Council. Our Chief Executive Officer is a member of the Strategy Group and a major contributor to the North Hub of societies and works closely with other Abbeyfield member societies.

I wish to place on record the close support I have had from all the Silverdale Society Trustees, our Chief Executive Officer and Registered Care Manager in what has been a very busy and transitional year. As is often the case some very long serving trustees have resigned from the Board of Trustees but we are fortunate in being able to appoint new board members with appropriate skills. Many thanks for your time, collegiality and advice.

.....
Geoff Walker
Chair of the Board of Trustees

Date:

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees of Abbeyfield Silverdale Society ("the Society") are pleased to present their annual Trustees' report and financial statements for the year ending 31 March 2024. The financial statements are prepared in accordance with the current Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102 effective 1 January 2019). In addition, the financial statements are prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The principal purpose of the Society is:

The relief and care of elderly persons suffering from the disabilities of old age or otherwise being in need, including by the provision and management of housing and/or residential care homes and/or hostels.

In the furtherance of these objects, but not otherwise, the Society may:

- (a) provide and maintain or assist in providing and maintaining housing and/or residential care homes and/or hostels for such elderly persons; and
- (b) provide or assist in providing care, support, amenities or services for the benefit of such elderly persons.

The Society operates a residential care home for 23 elderly people and a retirement living complex, Cove Orchard, on its site in Silverdale, north Lancashire. This forms the basis of the Society's primary activities, which are to provide care and support to older people. Abbeyfield Silverdale Society (the Society) is a member of the Abbeyfield movement, whose purposes have been regarded as being for the public benefit for over 60 years. By providing accommodation and services the Society meets the needs of older people for accommodation and other services suited to their needs. These services are open to all older people in need regardless of their mental or physical frailty. These include, but are not limited to, people suffering from dementia, Parkinson's as well as those being supported at the end of their life.

Through the provision of its services, the Society aims also to combat the loneliness and social isolation that is often associated with old age and improve the physical, mental and social wellbeing of residents through the provision of appropriate and inclusive activities, often carried out by volunteers.

The Society serves the local community but does not apply any form of restriction, geographical or otherwise to members of the public who would seek to make use of its services. The Society's residential care operations are regulated by the Care Quality Commission, which has rated its services as 'Good' for several years.

The services offered by the Trustees of the Society are deemed to be beneficial by their nature and are available to a large section of the public. In common with many charitable care homes, the Society charges for its services in order to provide sustainable, high-quality care for older people. The charges are in a broad range and considered affordable in the market. Beneficiaries need to be able to afford their accommodation and service costs either from their own means or from funders such as local authorities. The number of local authority funded residents varies from time to time and no limit is placed on the number accepted by the Society. Different styles of accommodation are offered at different rates in order to promote maximum inclusivity and access to the Society's services. In addition, some services provided by the Society are subsidised to ensure that they are widely affordable, for example when meals are provided to the residents of Cove Orchard this is done so at cost price and assistance equipment supplied free of charge.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Objectives and activities (continued)

b. Main activities undertaken to further the company's purposes for the public benefit

The Trustees have considered the guidance issued by the Charity Commission in respect of public benefit and confirm through their activities and objectives that they adhere to this guidance.

The views and opinions of our residents and their families are regularly sought about the activities that the Society undertakes. A record of these consultations is available for inspection.

Achievements and performance

a. Review of activities

The 2023-2024 financial year marked a period of significant focus on the Society's strategy, with a number of milestones reached. The Trustees remain focussed on the financial stability of Abbeyfield Silverdale Society and hence, its future viability.

The provision of the highest quality service to the Society's residents and stakeholders remains central to the objectives of the Trustees, alongside the growth and diversification of services. The Trustees and staff are ambitious to achieve an outstanding rating from CQC and remain focussed on continued improvement in standards of care. To that end, the annual telephone survey of residents' family and friends carried out by a volunteer has once again provided positive feedback and a high level of satisfaction. Feedback from residents is received through their regular meetings and covers a wide range of subjects from menu planning to activities; satisfaction levels remain high.

During the year, the Trustee Board adopted the Good Governance code and reviewed the skill set of the trustees to ensure that there is relevant experience to support the Society's future plans. The trustees have reviewed and updated the strategic plan for the next five years to 2028, with a focus on diversification to mitigate the risks around the primary income source being from one service provision.

A key aspect of the Society's strategy is registration with the Regulator for Social Housing to become a registered provider. The Society's application moved to the detailed stage in December 2023, however, the Society is still awaiting determination on the outcome of this application. The completion of the transfer of Abbeyfield Barrow in Furness to the Silverdale Society will be completed once the Registered Provider status is confirmed.

Also in December 2023, the Society submitted a planning application to Lancaster City Council for a new development at its site in Silverdale near Lancaster. The new development will be integrated uniquely into the existing building (Cove house) and will be based on providing 10 new supported living units for older people. The intention is that the units will be only available for rent under social housing regulations, subject to the Society being confirmed as a registered social housing provider.

The Society's staff continue to support residents of Cove Orchard independent living as and when requested but is limited to pastoral, non-regulated support only, such as the provision of meals and equipment. The Society is proud to be one of the few organisations in this region to have developed housing specially designed for older people to enable them to successfully live independently into older age; many of the Cove Orchard residents are now in their nineties.

Support for staff and staff wellbeing is an integral part of the ethos and culture of Abbeyfield Silverdale Society. All staff are encouraged and supported to increase the depth and breadth of their skills whether vocational or non-vocational, including in life coaching and resilience. The trustees remain committed to The Living Wage Foundation principles in their approach to pay awards for staff.

ABBNEYFIELD SILVERDALE SOCIETY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

b. Fundraising

The Charities Act 2011 requires charities to make a statement regarding fundraising activities. Where fundraising is carried out the amounts raised are presented in the accounts as voluntary income and include legacies and grants.

c. Investment policy and performance

The Society does not currently hold an investment portfolio in stocks, shares or other investment vehicles. Its liquid reserves are held in FSCS fully protected deposit accounts and managed by a cash management company to maximise interest.

Financial review

a. Reserves policy

The Society's reserves are made up of both cash reserves and physical assets and the Trustees have structured the reserves into designated funds in order to meet the needs of both its strategic plans and its operational activities. The main physical asset of the Society is Cove House for which the Maintenance Fund is designated to cover ongoing repairs and renovations to the house to ensure it meets the needs of the residents. The remaining funds are structured to support the Society's strategic objectives and its obligations under the Cove Orchard lease.

The Society's free reserves are made up of the nominal balance sheet value of its main physical assets, including Cove House plus the value of three months operating costs. The operating costs are based on the cost per day of providing residential care services.

b. Financial review

The Society had a successful financial year for 2023-24 resulting in a surplus of £65,999. The total annual occupancy level for residential care was 93%, with an average of 95% during the financial year.

The primary source of income for the Society is from its residential care service and Trustees are always mindful of the cost of residential care and the impact of fee increases. The Trustees remain committed to ensuring fees reflect value for money as well as to discipline in cost management.

Expenditure on charitable activities increased by 7.2%, which was slightly above average inflation for the financial year. Although food and utility costs remained stable compared to the previous year, insurance costs increased by 21.5% in line with market trends and staff costs increased by more than inflation. The Society is an accredited Living Wage Foundation employer and implements the recommended increase in hourly rates of pay across all job functions; the Trustees are absolutely committed to recognising the value of staff through its commitment to the Living Wage Foundation rate. However, staff costs remain the single largest area of expenditure and represents 62% of the total income of the Society.

Income from residential care fees increased during the year, largely due to improved occupancy levels as the Society continued to recover from the impact of the Covid-19 pandemic. In addition, the Society has seen a significant improvement in receipts from interest on cash deposits as interest rates remained high during the financial year.

Capital investment in the Society's buildings, in particular Cove House continued during the financial year. The cost of the new fire alarm system was recognised in this financial year together with further fire mitigation improvement measures at a cost of £80K. Residential care rooms are regularly updated for decoration and carpeting but more significant renovation work is only carried out following a full evaluation. Capital improvements were carried out across the Society's site and to a number of residential care rooms at a total cost

ABBNEYFIELD SILVERDALE SOCIETY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

of £146.8K for the year and a further £47.6K was spent on fees relating to the Society's planning application for additional supported living accommodation. Return on capital employed was 61% and return on assets was 30%.

On March 31st 2024 the Society had net assets of £2.17 million comprising tangible fixed assets and assets under construction of £966.8K and current assets of £1.303 million. During the year there was a net reduction in cash primarily due to the capital investment in tangible assets.

The Society's financial resources consist mainly of cash reserves on deposit which are sufficient to meet its day to day requirements. The statement of cash flows on page 13 of the financial statements details the movement in cash during the financial year. Cascade Cash Management continue to manage the Society's cash reserves, which are fully protected under the Financial Services Compensation Scheme. The trustees remain of the view that the financial protection of the Society's reserves is its highest priority and as such may forego higher interest rate opportunities in order to maintain full FSCS protection. The Society's development plans will require use of its liquid reserves within three to five years, which is the basis of the Society's current policy on reserves.

The Society's reserves are made up of both cash reserves and physical assets and the trustees have structured the reserves into designated funds in order to meet the needs of both its strategic plans and its operational activities. The main physical asset of the Society is Cove House for which the Maintenance Fund is designated to cover ongoing repairs and renovations to the house to ensure it meets the needs of the residents. The remaining funds are structured to support the Society's strategic objectives and its obligations under the Cove Orchard lease.

c. Going concern

The purpose of the Society's reserves is to provide sufficient protection for the Society against changing financial circumstances and to support future business development initiatives to enable the Society to continue to fulfil its principal purpose. The level of general reserves as reflected in Note 17 to the financial statements is represented by tangible assets and net current assets and is considered sufficient for the Society to meet its short to medium term expenditure obligations. The Society's cash reserves significantly outweigh its short term and long term liabilities.

The Trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Structure, governance and management

a. Constitution

The company is registered as a members' limited liability company number 10845391 and was set up by Memorandum of Association on 30 June 2017.

The Society is also registered with and regulated by the Charity Commission for England and Wales, registration number 1174376.

b. Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The composition of the Board, the method of appointment of Trustees and the retirement or removal of Trustees is covered in detail in clauses 19 and 20 of the Articles of Association of the Society.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management (continued)

c. Organisational structure and decision making policies

All operational decision making is delegated by the Board of Trustees to the Chief Executive Officer as head of staff. Financial delegation is documented in the Society's Financial Standing Orders.

The Board of Trustees currently meets ten times per annum and receives detailed financial and operational reports from the Chief Executive Officer and the Registered Care Manager, which enables the Trustees to discharge their statutory and governance duties.

d. Policies adopted for the induction and training of Trustees

All Trustees receive documents published by the Charity Commission relating to the role of a trustee. New trustees are encouraged to inform themselves about the role and responsibility of a trustee through the extensive information available online and in printed format from The Charity Commission and other well established not for profit representative organisations. New trustees spend time with the Chief Executive Officer and the Registered Care Manager in order to get a detailed understanding of the financial position and other operational issues affecting the Society.

e. Pay policy for key management personnel

The Remuneration committee, a sub-committee of the Board of Trustees, meets on an annual basis to consider the salaries of the Chief Executive Officer and the Registered Care Manager. The Remuneration committee makes a recommendation to the Board of Trustees for approval. The Remuneration committee is chaired by a Trustee other than the Chair of the Society.

f. Risk management

The Chief Executive Officer presents the Society's corporate risk register to the Trustees for consideration and review from time to time. The corporate risk register evaluates the major risks to which the Society is exposed, in particular those relating to finance, governance and operations and the Trustees are satisfied that there are systems and procedures in place to mitigate the Society's exposure to the most significant risks.

Trustees are indemnified by a trustee indemnity insurance policy provided by The Abbeyfield Society as part of the membership agreement. Additional professional indemnity insurance is in place to provide extended cover to trustees and senior staff.

ABBNEYFIELD SILVERDALE SOCIETY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Plans for future periods

The Trustees reviewed the Society's strategy in October 2023 and considered the strategic direction for the Society for the period up to 2028. The Trustees confirmed the principles underpinning the strategy as:

- The provision of the highest quality standard of care to all its users
- Financial sustainability
- Diversification of offering to include supported housing for older people

The Society's Trustees recognise the importance of diversifying the Society's income in order to mitigate potential future financial risks and to prevent the Society becoming over reliant on income from residential care services. The strategic aim is to move the balance of income from 95% residential care to an income stream split between housing and residential care services of approximately 50:50.

The application to become a Registered Provider of social housing and the merger of other Abbeyfield member societies' operations into Abbeyfield Silverdale Society are a key part of achieving the strategic objectives.

The planning application for the development of supported housing at the Silverdale site is scheduled to be considered by Lancaster City Council planning committee in September 2024 and, if successful, will be a significant step forward towards achieving the Society's strategic objectives.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Auditors

The auditors, Armstrong Watson Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....
Mrs C M Humphreys ACMA
Secretary
Date:

ABBEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBEYFIELD SILVERDALE SOCIETY

Opinion

We have audited the financial statements of Abbeyfield Silverdale Society (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure 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 Charities Act 2011.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustees' 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 charitable 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 Trustees with respect to going concern are described in the relevant sections of this report.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBNEYFIELD SILVERDALE SOCIETY
(CONTINUED)

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

ABBEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBEYFIELD SILVERDALE SOCIETY
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Trustees and other management, and from our commercial knowledge and experience of the residential care home sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBNEYFIELD SILVERDALE SOCIETY
(CONTINUED)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Care Quality Commission, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or 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 Auditors' Report.

Use of our report

This report is made solely to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's Trustees 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 charitable company and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Armstrong Watson Audit Limited

Chartered Accountants and Statutory Auditors
Carlisle

Date:

Armstrong Watson Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:				
Donations and legacies	4	55	55	52,126
Charitable activities	5	1,187,922	1,187,922	1,062,797
Investments	6	30,148	30,148	12,449
Total income		1,218,125	1,218,125	1,127,372
Expenditure on:				
Charitable activities	7	1,152,126	1,152,126	1,074,518
Total expenditure		1,152,126	1,152,126	1,074,518
Net movement in funds		65,999	65,999	52,854
Reconciliation of funds:				
Total funds brought forward		2,104,509	2,104,509	2,051,655
Net movement in funds		65,999	65,999	52,854
Total funds carried forward		2,170,508	2,170,508	2,104,509

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 37 form part of these financial statements.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10845391

BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	12	892,466	812,258
Property under construction	13	68,961	26,667
		<hr/> 961,427	<hr/> 838,925
Current assets			
Debtors	14	74,564	40,103
Cash at bank and in hand		1,234,292	1,347,076
		<hr/> 1,308,856	<hr/> 1,387,179
Creditors: amounts falling due within one year	15	(99,775)	(121,595)
		<hr/> 1,209,081	<hr/> 1,265,584
Net current assets		<hr/> 1,209,081	<hr/> 1,265,584
Total assets less current liabilities		<hr/> 2,170,508	<hr/> 2,104,509
Total net assets		<hr/> 2,170,508 <hr/>	<hr/> 2,104,509 <hr/>

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10845391

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Charity funds			
Restricted funds	16	-	-
Unrestricted funds	16	2,170,508	2,104,509
Total funds		<u>2,170,508</u>	<u>2,104,509</u>

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
Geoff Walker
Chair of the Board of Trustees

Date:

The notes on pages 18 to 37 form part of these financial statements.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	£	£
Cash flows from operating activities		
Net cash used in operating activities	46,218	153,038
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	30,148	12,449
Purchase of tangible fixed assets	(146,856)	(45,391)
Purchase of property under construction additions	(42,294)	(16,744)
	<hr/>	<hr/>
Net cash used in investing activities	(159,002)	(49,686)
	<hr/>	<hr/>
Cash flows from financing activities		
	<hr/>	<hr/>
Net cash provided by financing activities	-	-
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(112,784)	103,352
Cash and cash equivalents at the beginning of the year	1,347,076	1,243,724
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	1,234,292	1,347,076
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 18 to 37 form part of these financial statements

ABBAYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. General information

Abbeyfield Silverdale Society is a charitable company without share capital, incorporated in England and Wales. The registered office is Cove House, Cove Road, Silverdale, Carnforth, Lancashire, LA5 0SG and the company number is 10845391.

The Charity's principal business activity is the provision of residential care to the elderly.

The presentational and functional currency of the financial statements is Pound Sterling.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Companies Act 2006.

Abbeyfield Silverdale Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2.3 Going concern

The Trustees have indicated that they believe that the charity is a going concern. When making this assessment, the Trustees have considered the financial requirements of the charity for a period beyond 12 months from the date of signing the financial statements. Net assets at the balance sheet date were £2,171k and cash reserves were £1,234k.

The Trustees believe the level of liquid reserves held by the charity are sufficient to allow the charity to meet its liabilities as they fall due and so consider the charity a going concern.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.4 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the company, can be reliably measured.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives,

Depreciation is provided on the following bases:

Freehold property	- 1-11% straight line
Care equipment	- 10-33% straight line
Fixtures and fittings	- 10-33% straight line
Office equipment	- 10-33% straight line

Where there is a refurbishment of communal areas or residents rooms which have been capitalised as freehold property additions, depreciation is charged at more appropriate rates and over shorter time periods to reflect the periodic nature of enhancement and replacement of assets to suit the living needs of the residents.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.12 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.14 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

a) Establishing useful economic lives

Establishing useful economic lives for depreciation purposes of property, plant and equipment comprise a significant portion of the total fixed assets. The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review these assets useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation charges for the period. Details of the depreciation policies based on estimated useful economic lives are included in accounting policies note 2.8.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

6. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £
Investment income	30,148	30,148
	Unrestricted funds 2023 £	Total funds 2023 £
Investment income	12,449	12,449

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Total 2024 £
Provision of residential care at Cove House	1,090,840	1,090,840
Independent living at Cove Orchard	61,286	61,286
Total 2024	1,152,126	1,152,126
	Unrestricted funds 2023 £	Total 2023 £
Provision of residential care at Cove House	1,013,700	1,013,700
Independent living at Cove Orchard	60,818	60,818
Total 2023	1,074,518	1,074,518

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

7. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2024 £	Depreciation 2024 £	Other costs 2024 £	Total 2024 £
Provision of residential care at Cove House	731,355	62,761	296,724	1,090,840
Independent living at Cove Orchard	18,480	3,887	38,919	61,286
	<u>749,835</u>	<u>66,648</u>	<u>335,643</u>	<u>1,152,126</u>
	Staff costs 2023 £	Depreciation 2023 £	Other costs 2023 £	Total 2023 £
Provision of residential care at Cove House	642,436	56,246	315,018	1,013,700
Independent living at Cove Orchard	16,505	5,607	38,706	60,818
	<u>658,941</u>	<u>61,853</u>	<u>353,724</u>	<u>1,074,518</u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Provision of residential care at Cove House	1,021,207	69,633	1,090,840
Independent living at Cove Orchard	58,338	2,948	61,286
	<u>1,079,545</u>	<u>72,581</u>	<u>1,152,126</u>

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

8. Analysis of expenditure by activities (continued)

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Provision of residential care at Cove House	871,067	142,633	1,013,700
Independent living at Cove Orchard	31,340	29,478	60,818
	<u>902,407</u>	<u>172,111</u>	<u>1,074,518</u>

Analysis of direct costs

	Provision of residential care at Cove House 2024 £	Independ't living at Cove Orchard 2024 £	Total funds 2024 £
Staff costs	672,455	18,480	690,935
Depreciation	62,761	3,887	66,648
Hotel, travel and subsistence	6,353	-	6,353
Printing and stationery	2,684	-	2,684
Telephone and fax	3,210	396	3,606
IT software, licenses and support costs	23,656	-	23,656
Advertising and promotion	5,862	-	5,862
Legal and professional, regulation costs (incl. DBS)	21,454	10,300	31,754
Auditors remuneration	14,210	1,800	16,010
Bank charges	1,840	-	1,840
Rates and water	5,461	6,956	12,417
Light and heat	31,867	2,940	34,807
Cleaning	7,533	1,320	8,853
Repair and maintenance	77,407	11,653	89,060
Residents' comforts & welfare	5,780	-	5,780
Food costs	61,264	282	61,546
Sundry expenses	17,410	324	17,734
Total 2024	<u>1,021,207</u>	<u>58,338</u>	<u>1,079,545</u>

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Provision of residential care at Cove House 2023 £	Independent living at Cove Orchard 2023 £	Total funds 2023 £
Staff costs	547,246	-	547,246
Depreciation	56,246	5,607	61,853
Staff training	4,646	-	4,646
Hotels, travel and subsistence	2,313	-	2,313
Printing and stationery	3,255	-	3,255
Telephone and fax	1,529	1,590	3,119
Advertising and promotion	10,715	-	10,715
Legal and professional, regulation costs (incl. DBS)	31,470	-	31,470
Equipment hire	8,623	-	8,623
Bank charges	1,555	-	1,555
Rates and water	3,920	8,342	12,262
Light and heat	39,097	3,536	42,633
Cleaning	9,747	-	9,747
Repair and maintenance	77,007	11,995	89,002
Residents' comforts & welfare	4,143	-	4,143
Food costs	62,305	-	62,305
Sundry expenses	7,250	270	7,520
	<hr/>	<hr/>	<hr/>
Total 2023	871,067	31,340	902,407
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Analysis of support costs

	Provision of residential care at Cove House 2024 £	Independ't living at Cove Orchard 2024 £	Total funds 2024 £
Staff costs	58,900	-	58,900
Insurance	10,733	2,948	13,681
	<hr/>	<hr/>	<hr/>
Total 2024	69,633	2,948	72,581
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Provision of residential care at Cove House 2023 £	Independent living at Cove Orchard 2023 £	Total funds 2023 £
Staff costs	95,190	16,505	111,695
Computer costs	23,451	-	23,451
Legal and professional, regulation costs (incl. DBS)	3,600	9,184	12,784
Auditors' remuneration	11,100	1,800	12,900
Insurance	9,292	1,989	11,281
Total 2023	142,633	29,478	172,111

9. Auditors' remuneration

	2024 £	2023 £
Fees payable to the company's auditor for the audit of the company's annual accounts	14,510	11,400
Fees payable to the company's auditor in respect of: All assurance services not included above	1,500	1,500

10. Staff costs

	2024 £	2023 £
Wages and salaries	690,690	605,420
Social security costs	46,706	42,845
Contribution to defined contribution pension schemes	12,440	10,676
	749,836	658,941

Included within the value of total staff costs are agency costs in respect of the catering function and dedicated care agency personnel.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

10. Staff costs (continued)

The average number of persons employed by the company during the year was as follows:

	2024	2023
	No.	No.
Management and administration	6	5
Catering and housekeeping	7	6
Care staff	14	15
	27	26
	27	26

The average headcount expressed as full-time equivalents was 21.

	2024	2023
	No.	No.
Management and administration	6	5
Catering and housekeeping	5	4
Care staff	10	10
	21	19
	21	19

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
	No.	No.
In the band £60,001 - £70,000	1	-

Key management personnel comprise the senior managers of the Society. Their aggregate remuneration was £126,251 (2023 - £116,874).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, expenses totaling £105 were reimbursed or paid directly to one Trustee (2023 - £NIL).

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

12. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation						
At 1 April 2023	1,069,623	112,653	-	48,088	79,506	1,309,870
Additions	104,250	12,072	9,326	16,132	5,076	146,856
At 31 March 2024	<u>1,173,873</u>	<u>124,725</u>	<u>9,326</u>	<u>64,220</u>	<u>84,582</u>	<u>1,456,726</u>
Depreciation						
At 1 April 2023	319,997	84,599	-	30,645	62,371	497,612
Charge for the year	48,640	5,364	1,360	5,303	5,981	66,648
At 31 March 2024	<u>368,637</u>	<u>89,963</u>	<u>1,360</u>	<u>35,948</u>	<u>68,352</u>	<u>564,260</u>
Net book value						
At 31 March 2024	<u><u>805,236</u></u>	<u><u>34,762</u></u>	<u><u>7,966</u></u>	<u><u>28,272</u></u>	<u><u>16,230</u></u>	<u><u>892,466</u></u>
At 31 March 2023	<u><u>749,626</u></u>	<u><u>28,054</u></u>	<u><u>-</u></u>	<u><u>17,443</u></u>	<u><u>17,135</u></u>	<u><u>812,258</u></u>

The cost of land and buildings is stated net of the Social Enterprise Investment Fund grant received in January 2012. The value of this grant was £149,961 and was spent entirely on improvements to residential accommodation at Cove House.

The Trustees are aware that the value of the freehold property is in excess of the cost included within the financial statements however have decided not to adopt a policy of revaluation of its properties.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

13. Property under construction

	Property under construction £
Valuation	
At 1 April 2023	26,667
Additions	42,294
	68,961
At 31 March 2024	68,961

This amount relates to the Cove House refurbishment. As this work was still in progress at the year end, it was not capitalised into fixed assets.

14. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	32,263	9,150
Other debtors	16,440	13,781
Prepayments and accrued income	25,861	17,172
	74,564	40,103
	74,564	40,103

15. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	17,060	24,336
Other taxation and social security	12,134	18,290
Other creditors	42,179	35,470
Accruals and deferred income	28,402	43,499
	99,775	121,595
	99,775	121,595

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Unrestricted funds					
Designated funds					
Cove Orchard Sinking Fund	13,442	1,500	-	(1,765)	13,177
Future Projects Fund	1,020,000	4,429	-	-	1,024,429
Maintenance Fund	100,000	-	(179,110)	179,110	100,000
	<u>1,133,442</u>	<u>5,929</u>	<u>(179,110)</u>	<u>177,345</u>	<u>1,137,606</u>
General funds					
General Funds - all funds	<u>971,067</u>	<u>1,212,196</u>	<u>(973,016)</u>	<u>(177,345)</u>	<u>1,032,902</u>
Total Unrestricted funds	<u><u>2,104,509</u></u>	<u><u>1,218,125</u></u>	<u><u>(1,152,126)</u></u>	<u><u>-</u></u>	<u><u>2,170,508</u></u>

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Unrestricted funds					
Designated funds					
Cove Orchard Sinking Fund	7,952	5,700	(210)	-	13,442
Future Projects Fund	1,020,000	-	-	-	1,020,000
Maintenance Fund	99,908	-	(142,758)	142,850	100,000
	<u>1,127,860</u>	<u>5,700</u>	<u>(142,968)</u>	<u>142,850</u>	<u>1,133,442</u>
General funds					
General Funds - all funds	923,795	1,121,672	(931,550)	(142,850)	971,067
	<u>2,051,655</u>	<u>1,127,372</u>	<u>(1,074,518)</u>	<u>-</u>	<u>2,104,509</u>

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Designated funds	1,133,442	5,929	(179,110)	177,345	1,137,606
General funds	971,067	1,212,196	(973,016)	(177,345)	1,032,902
	<u>2,104,509</u>	<u>1,218,125</u>	<u>(1,152,126)</u>	<u>-</u>	<u>2,170,508</u>

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

17. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Designated funds	1,127,860	5,700	(142,968)	142,850	1,133,442
General funds	923,795	1,121,672	(931,550)	(142,850)	971,067
	<u>2,051,655</u>	<u>1,127,372</u>	<u>(1,074,518)</u>	<u>-</u>	<u>2,104,509</u>

Unrestricted funds

General funds are the 'free reserves' after allowing for all designated funds.

Designated funds

Residents' fund receives income from fundraising events and makes expenditure on activities for the direct benefit of the residents of Cove House.

Cove Orchard sinking fund - The purpose of this fund is to build up a reserve to cover significant expenditure relating to the external fabric of the Cove Orchard properties. Income is collected from every resident on an annual basis through the estate service charge as laid out in the lease agreement.

The Future Projects fund designates reserves identified for the development of services to be provided in the future by the Society, in accordance with its objects and purposes. These funds may be used to support capital or revenue investment in line with the strategic plan developed by the Society's Trustees and officers.

The Maintenance Fund has been designated by the Society's Trustees to address some of the legacy maintenance issues associated with the upkeep of Cove House residential care home.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	892,466	892,466
Assets under Construction	68,961	68,961
Current assets	1,308,856	1,308,856
Creditors due within one year	(99,775)	(99,775)
Total	<u>2,170,508</u>	<u>2,170,508</u>

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	812,258	812,258
Assets under Construction	26,667	26,667
Current assets	1,387,179	1,387,179
Creditors due within one year	(121,595)	(121,595)
Total	<u>2,104,509</u>	<u>2,104,509</u>

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net income for the period (as per Statement of Financial Activities)	<u>65,999</u>	<u>52,854</u>
Adjustments for:		
Depreciation charges	66,648	61,853
Dividends, interests and rents from investments	(30,148)	(12,449)
Decrease/(increase) in debtors	(34,461)	26,630
Increase/(decrease) in creditors	(21,820)	24,150
Net cash provided by operating activities	<u>46,218</u>	<u>153,038</u>

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

20. Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash in hand	1,234,292	1,347,076
Total cash and cash equivalents	1,234,292	1,347,076

21. Analysis of changes in net debt

	At 1 April 2023	Cash flows	At 31 March 2024
	£	£	£
Cash at bank and in hand	1,347,076	(112,784)	1,234,292
	1,347,076	(112,784)	1,234,292

22. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £12,535 (2023 - £10,676). Contributions totaling £6,421 (2023 - £4,087) were payable to the fund at the balance sheet date and are included in creditors.

23. Operating lease commitments

At 31 March 2024 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024	2023
	£	£
Not later than 1 year	461	986
Later than 1 year and not later than 5 years	132	-
	593	986

24. Related party transactions

Dr June Greenwell and her husband are residents of Cove Orchard and pay the standard service fee to the Society.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

25. Controlling party

The ultimate controlling party for all the financial affairs of the Society, as laid out in the Society's Articles of Association is the Executive Committee of the Board of Trustees.

ABBNEYFIELD SILVERDALE SOCIETY

England & Wales - Charity number 1174376

Accounts

Registered number: 10845391
Charity number: 1174376

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

ArmstrongWatson[®]
Accountants, Business & Financial Advisers

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND DIRECTORS
AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees and Directors	Canon P K Warren, President Dr A Wells Mr J W Robson Mrs S Caddy Mr M Casson Mr A G Davies Dr J Greenwell Mrs J Jones Dr N Martin Mr G Walker, Chair
Company registered number	10845391
Charity registered number	1174376
Registered office	Cove House Cove Road Silverdale Carnforth Lancashire LA5 0SG
Company Secretary	Catherine Humphreys ACMA
Chief Executive Officer	Catherine Humphreys ACMA
Independent auditors	Armstrong Watson Audit Limited Chartered Accountants and Statutory Auditors James Watson House Montgomery Way Rosehill Carlisle Cumbria CA1 2UU
Solicitors	Progression Solicitors 11 Queen Street Ulverston Lancashire LA12 7AF

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

The chairman presents his statement for the year.

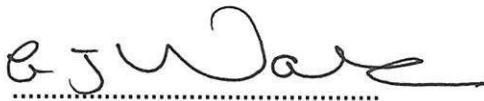
The financial year 2022-23 was the first full year since 2018-19 when the Society was not impacted by Covid-19, and so we returned to a degree of normality with a full programme of resident activities, visits and community links. As a result, the occupancy rate returned to its pre-Covid levels of upwards of 90%. Despite the major challenges associated with this period, we honed our procedures, planning and resilience, giving residents and their families, and our teams confidence in our ability to weather the storm of the pandemic. During this period, Cove House enjoyed a high level of continuity of staff and Trustees bringing an additional level of stability.

The care sector nationally faced significant external and environmental challenges. We were not immune to such pressures and the Trustees and senior management were required to make difficult decisions and to ensure prudent financial planning during the financial year. I note that we returned a surplus figure which is detailed elsewhere in this report. Global and economic factors saw huge increases in energy, food and labour costs with a sustained period of inflation. The care sector was also hit by a rapidly increasing labour shortage.

At the end of the previous financial year, Trustees voted to merge with Abbeyfield Barrow in Furness (Millennium House) and in 2022-23 significant legal and regulatory work had to be undertaken. As we integrate a supported living house into our portfolio, the major task is to complete the process to become a registered social landlord with the Regulator for Social Housing (RSH). This has become a complex and lengthy task, but we have now been given approval to move to the final phase and are confident that all other legal, financial and compliance work will be completed in order to fully merge by March 31st 2024. Diane Craig (Chair of Trustees at Millennium House) has joined our Board as an observer and Andrew Wells and John Robson have attended Board meetings at Barrow. We continue to work closely together and the Society's management team are supporting Millennium House. The other major project undertaken in 2022-23 was detailed preparation for the proposed extension block. The CHIP group, working closely with our architects, spent significant time on plans and drawings and submission to pre-planning; the proposal was given a positive response and we now move into the detailed planning phase with confidence.

The Abbeyfield Society (of which we are a Member Society) went through a major governance change with a new Strategic and Operational Plan introduced in the 2022-23 reporting year. A new Abbeyfield England Board was established, its principal task being to represent all member societies in England. Abbeyfield Silverdale Society is playing a major part in this emerging structure and I have been elected onto the new Board of Trustees for Abbeyfield England and sit on the Abbeyfield World Council. Similarly, our CEO has been asked to sit on the new Abbeyfield England Strategy Board and is working closely with other CEOs in supporting other societies. We continue to be very outward looking and have been approached by other local Abbeyfield member societies for support and advice.

The Society's Trustees are all volunteers and their time and contributions are hugely appreciated; I would like to formally thank them for their support, debate and advice in the last year. Finally, I would like to offer my thanks to our dedicated and superb staff for their hard work, which has been highly praised by residents and families alike.



Geoff Walker
Chair of the Board of Trustees

Date: 11. 10 2023

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees of Abbeyfield Silverdale Society ("the Society") are pleased to present their annual Trustees' report and financial statements for the year ending 31 March 2023. The financial statements are prepared in accordance with the current Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102 effective 1 January 2019). In addition, the financial statements are prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The principal purpose of the Society is:

The relief and care of elderly persons suffering from the disabilities of old age or otherwise being in need, including by the provision and management of housing and/or residential care homes and/or hostels.

In the furtherance of these objects, but not otherwise, the Society may:

- (a) provide and maintain or assist in providing and maintaining housing and/or residential care homes and/or hostels for such elderly persons; and
- (b) provide or assist in providing care, support, amenities or services for the benefit of such elderly persons.

The Society operates a residential care home for 23 elderly people and a retirement living complex, Cove Orchard, on its site in Silverdale, north Lancashire. This forms the basis of the Society's primary activities, which are to provide care and support to older people. Abbeyfield Silverdale Society (the Society) is a member of the Abbeyfield movement, whose purposes have been regarded as being for the public benefit for over 60 years. By providing accommodation and services the Society meets the needs of older people for accommodation and other services suited to their needs. These services are open to all older people in need regardless of their mental or physical frailty. These include, but are not limited to, people suffering from dementia, Parkinson's as well as those being supported at the end of their life.

Through the provision of its services, the Society aims also to combat the loneliness and social isolation that is often associated with old age and improve the physical, mental and social wellbeing of residents through the provision of appropriate and inclusive activities, often carried out by volunteers.

The Society serves the local community but does not apply any form of restriction, geographical or otherwise to members of the public who would seek to make use of its services. The Society's residential care operations are regulated by the Care Quality Commission, which has rated its services as 'Good' for several years.

The services offered by the Trustees of the Society are deemed to be beneficial by their nature and are available to a large section of the public. In common with many charitable care homes, the Society charges for its services in order to provide sustainable, high-quality care for older people. The charges are in a broad range and considered affordable in the market. Beneficiaries need to be able to afford their accommodation and service costs either from their own means or from funders such as local authorities. The number of local authority funded residents varies from time to time and no limit is placed on the number accepted by the Society. Different styles of accommodation are offered at different rates in order to promote maximum inclusivity and access to the Society's services. In addition, some services provided by the Society are subsidised to ensure that they are widely affordable, for example when meals are provided to the residents of Cove Orchard this is done so at cost price and assistance equipment supplied free of charge.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

b. Main activities undertaken to further the company's purposes for the public benefit

The Trustees have considered the guidance issued by the Charity Commission in respect of public benefit and confirm through their activities and objectives that they adhere to this guidance.

The views and opinions of our residents and their families are regularly sought about the activities that the Society undertakes. A record of these consultations is available for inspection.

Achievements and performance

a. Review of activities

The financial year ending in March 2023 has seen the recovery of services following the removal of Covid-19 restrictions, with a return to higher levels of occupancy as confidence returned to families and friends of those seeking a move into older people's residential care. The focus, therefore, of Trustees and staff has been to re-establish momentum on its strategic plans, building on the continuing success of Cove House and Cove Orchard.

The Society's area of activity is heavily influenced by and dependent on government policy and the lack of clarity, particularly in relation to funding for residential care, continues to cause uncertainty. In addition, the impact of rising inflation and high levels of employment affecting recruitment and retention, has resulted in the 2022-23 financial year being a challenging one.

The Trustees continue to be primarily focused on the financial stability of Abbeyfield Silverdale Society and hence, its future viability. The provision of the highest quality service to its residents and stakeholders remains central to the objectives of the Trustees, alongside the growth and diversification of services. Whilst the Trustees and staff are ambitious to achieve an outstanding rating from CQC, the emphasis is on implementing a continuous improvement programme that is right for Abbeyfield Silverdale Society's residents, rather than a focus on a particular KLOE. To that end, the telephone survey of residents' family and friends carried out by a volunteer gave very positive feedback and a high level of satisfaction. Feedback from residents is received through regular meetings with them and covers a wide range of subjects from menu planning to activities.

The two priorities during the 2022-23 reporting year have been the progression of development plans at the Silverdale site and the work required to complete the merger of Abbeyfield Barrow in Furness into Abbeyfield Silverdale Society. The Society received a favourable pre-planning report during the year, which reinforced confidence in the plan for supported housing on site. The regulatory requirements to allow the merger to go forward are progressing well, and the governance and operational support being provided to Abbeyfield Barrow in Furness have become embedded in everyday activity and should mean that the eventual merger completes smoothly.

Resident activities and visiting from family and friends to Cove House were a welcome return during the 2022-23 year. The level of normality was welcomed by all. The residents of Cove Orchard independent living have continued to be supported as and when requested but is limited to pastoral, non regulated support, such as the provision of meals and equipment. The Society is proud to be one of the few organisations in this region to have developed housing specially designed for older people to enable them to successfully live independently into older age, with many of the Cove Orchard residents now in their nineties.

Support for staff and staff wellbeing is an integral part of the ethos and culture of Abbeyfield Silverdale Society. All staff are encouraged and supported to increase the depth and breadth of their skills whether vocational or non vocational, including in life coaching and resilience. The Trustees remain committed to The Living Wage Foundation principles in their approach to pay awards for staff.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

b. Fundraising

The Charities Act 2011 requires charities to make a statement regarding fundraising activities. Where fundraising is carried out the amounts raised are presented in the accounts as voluntary income and include legacies and grants.

c. Investment policy and performance

The Society does not currently hold an investment portfolio in stocks, shares or other investment vehicles. Its liquid reserves are held in FSCS fully protected deposit accounts and managed by a cash management company to maximise interest.

Financial review

a. Reserves policy

The Society's reserves are made up of both cash reserves and physical assets and the Trustees have structured the reserves into designated funds in order to meet the needs of both its strategic plans and its operational activities. The main physical asset of the Society is Cove House for which the Maintenance Fund is designated to cover ongoing repairs and renovations to the house to ensure it meets the needs of the residents. The remaining funds are structured to support the Society's strategic objectives and its obligations under the Cove Orchard lease.

The Society's free reserves are made up of the nominal balance sheet value of its main physical assets, including Cove House plus the value of three months operating costs. The operating costs are based on the cost per day of providing residential care services.

b. Financial review

The financial year 2022-23 resulted in a surplus of £52,854, largely supported by a donation from the Abbeyfield Cleethorpes and Grimsby Society following the winding up of its operations. The overall occupancy level for the year was 92% but the first quarter saw a much lower average occupancy of 84%. Occupancy levels started to rise from July 2022 onwards as confidence returned following the removal of Covid-19 restrictions in adult social care.

The primary source of income for the Society is from its residential care service and trustees are always mindful of the cost of residential care and the impact of fee increases. The Trustees remain committed to ensuring fees reflect value for money and during the financial year did not implement a mid-year fee increase, despite rising inflation, particularly in food costs and other service costs. Food costs increased by 22% and business insurance by 10%, although utility costs remained stable due to the five year fixed price in place since 2019.

Staff costs as a percentage of fees and other income reduced slightly compared to the previous year, largely because of increased occupancy boosting income. The Society is an accredited Living Wage Foundation employer and implemented in full the recommended 10% increase in hourly rates of pay across all job functions from November 2022.

Capital investment in the Society's buildings, in particular Cove House continued during the financial year, with improvements totalling £16,000 as well as the purchase of a generator at a cost of over £22,000 to ensure the site's resilience against future power failures. Other capitalised costs related to architect fees in relation to the development plans and planning permission preparation.

In the post year end period, the Society commissioned a new fire alarm system at a cost of £66,000, which was fully installed by May 31st 2023.

ABBNEYFIELD SILVERDALE SOCIETY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

The Society's financial resources consist mainly of cash reserves and bank deposits, which are sufficient to meet its day to day requirements. The statement of cash flows on page 16 of the financial statements details the movement in cash during the financial year. Cascade Cash Management continue to manage the Society's cash reserves, which are fully protected under the Financial Services Compensation Scheme. The Trustees remain of the view that the financial protection of the Society's reserves is a higher priority than financial return through higher interest rates because of the need to draw down on the reserves to complete the planned development work in the next two to three years.

The Society's reserves are made up of both cash reserves and physical assets and the Trustees have structured the reserves into designated funds in order to meet the needs of both its strategic plans and its operational activities. The main physical asset of the Society is Cove House for which the Maintenance Fund is designated to cover ongoing repairs and renovations to the house to ensure it meets the needs of the residents. The remaining funds are structured to support the Society's strategic objectives and its obligations under the Cove Orchard lease.

c. Going concern

The purpose of the Society's reserves is to provide sufficient protection for the Society against changing financial circumstances and to support future business development initiatives to enable the Society to continue to fulfil its principal purpose. The level of general reserves as reflected in Note 18 to the financial statements is represented by tangible assets and net current assets and is considered sufficient for the Society to meet its short to medium term expenditure obligations. The Society's cash reserves significantly outweigh its short term and long term liabilities.

The Trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Structure, governance and management

a. Constitution

The company is registered as a members' limited liability company number 10845391 and was set up by Memorandum of Association on 30 June 2017.

The Society is also registered with and regulated by the Charity Commission for England and Wales, registration number 1174376.

b. Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The composition of the Board, the method of appointment of Trustees and the retirement or removal of Trustees is covered in detail in clauses 19 and 20 of the Articles of Association of the Society.

c. Organisational structure and decision making policies

All operational decision making is delegated by the Board of Trustees to the Chief Executive Officer as head of staff. Financial delegation is documented in the Society's Financial Standing Orders.

The Board of Trustees currently meets ten times per annum and receives detailed financial and operational reports from the Chief Executive Officer and the Registered Care Manager, which enables the Trustees to discharge their statutory and governance duties.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

All Trustees receive documents published by the Charity Commission relating to the role of a trustee. New trustees are encouraged to inform themselves about the role and responsibility of a trustee through the extensive information available online and in printed format from The Charity Commission and other well established not for profit representative organisations. New trustees spend time with the Chief Executive Officer and the Registered Care Manager in order to get a detailed understanding of the financial position and other operational issues affecting the Society.

e. Pay policy for key management personnel

The Remuneration committee, a sub-committee of the Board of Trustees, meets on an annual basis to consider the salaries of the Chief Executive Officer and the Registered Care Manager. The Remuneration committee makes a recommendation to the Board of Trustees for approval. The Remuneration committee is chaired by a Trustee other than the Chair of the Society.

f. Risk management

The Chief Executive Officer presents the Society's corporate risk register to the Trustees for consideration and review from time to time. The corporate risk register evaluates the major risks to which the Society is exposed, in particular those relating to finance, governance and operations and the Trustees are satisfied that there are systems and procedures in place to mitigate the Society's exposure to the most significant risks.

Trustees are indemnified by a trustee indemnity insurance policy provided by The Abbeyfield Society as part of the membership agreement.

Plans for future periods

During the post year end period, the Society received confirmation that it has successfully completed the preliminary stage of the process to become a registered social landlord. The detailed stage of the application must be completed by the beginning of December 2023 and following registration, the merger of Abbeyfield Barrow in Furness Society can be completed. The registration is required by Abbeyfield Silverdale Society in order to prevent the repayment of a significant Housing Corporation grant awarded to Abbeyfield Barrow in Furness Society in 1996. The registration process with the Regulator for Social Housing has taken longer than expected and the merger will now be completed by March 31st 2024.

The development plans for the Society's site in Silverdale will continue throughout the 2023-24 financial year.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Disclosure of information to auditors

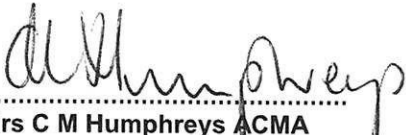
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Armstrong Watson Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:


.....
Mrs C M Humphreys ACMA

Secretary

Date:

11. 10. 2023

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBNEYFIELD SILVERDALE SOCIETY

Opinion

We have audited the financial statements of Abbeyfield Silverdale Society (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure 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 Charities Act 2011.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustees' 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 charitable 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 Trustees with respect to going concern are described in the relevant sections of this report.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBNEYFIELD SILVERDALE SOCIETY
(CONTINUED)

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBNEYFIELD SILVERDALE SOCIETY
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Trustees and other management, and from our commercial knowledge and experience of the residential care home sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBNEYFIELD SILVERDALE SOCIETY
(CONTINUED)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Care Quality Commission, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or 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 Auditors' Report.

Use of our report

This report is made solely to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's Trustees 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 charitable company and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Armstrong Watson Audit Limited

Armstrong Watson Audit Limited

Chartered Accountants and Statutory Auditors
Carlisle

Date: *31 October 2023*

Armstrong Watson Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Donations and legacies	4	52,126	52,126	46,404
Charitable activities	5	1,062,797	1,062,797	912,112
Investments	6	12,449	12,449	3,602
Total income		1,127,372	1,127,372	962,118
Expenditure on:				
Charitable activities	7	1,074,518	1,074,518	956,005
Total expenditure		1,074,518	1,074,518	956,005
Net movement in funds		52,854	52,854	6,113
Reconciliation of funds:				
Total funds brought forward		2,051,655	2,051,655	2,045,542
Net movement in funds		52,854	52,854	6,113
Total funds carried forward		2,104,509	2,104,509	2,051,655

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 36 form part of these financial statements.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10845391

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	812,258	828,720
Property under construction	13	26,667	9,923
		838,925	838,643
Current assets			
Debtors	14	40,103	66,733
Cash at bank and in hand		1,347,076	1,243,724
		1,387,179	1,310,457
Creditors: amounts falling due within one year	15	(121,595)	(97,445)
Net current assets		1,265,584	1,213,012
Total assets less current liabilities		2,104,509	2,051,655
Total net assets		2,104,509	2,051,655

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10845391

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Charity funds			
Restricted funds	16	-	-
Unrestricted funds	16	2,104,509	2,051,655
Total funds		2,104,509	2,051,655

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.


The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Geoff Walker
Chair of the Board of Trustees

Date: 11.10.2023

The notes on pages 17 to 36 form part of these financial statements.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2023	2022
	£	£
Cash flows from operating activities		
Net cash used in operating activities	153,038	29,902
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	12,449	3,602
Purchase of tangible fixed assets	(45,391)	(198,934)
Purchase of fixed asset additions not capitalised	(16,744)	(9,923)
	<hr/>	<hr/>
Net cash used in investing activities	(49,686)	(205,255)
	<hr/>	<hr/>
Cash flows from financing activities		
	<hr/>	<hr/>
Net cash provided by financing activities	-	-
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	103,352	(175,353)
Cash and cash equivalents at the beginning of the year	1,243,724	1,419,077
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	1,347,076	1,243,724
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 17 to 36 form part of these financial statements

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

1. General information

Abbeyfield Silverdale Society is a charitable company without share capital, incorporated in England and Wales. The registered office is Cove House, Cove Road, Silverdale, Carnforth, Lancashire, LA5 0SG and the company number is 10845391.

The Charity's principal business activity is the provision of residential care to the elderly.

The presentational and functional currency of the financial statements is Pound Sterling.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Companies Act 2006.

Abbeyfield Silverdale Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2.3 Going concern

The Trustees have indicated that they believe that the charity is a going concern. When making this assessment, the Trustees have considered the financial requirements of the charity for a period beyond 12 months from the date of signing the financial statements. Net assets at the balance sheet date were £2,104k and cash reserves were £1,347k.

The Trustees believe the level of liquid reserves held by the charity are sufficient to allow the charity to meet its liabilities as they fall due and so consider the charity a going concern.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.4 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the company, can be reliably measured.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives,

Depreciation is provided on the following bases:

Freehold property	- 1-2% straight line
Care equipment	- 10-33% straight line
Fixtures and fittings	- 10-33% straight line
Office equipment	- 10-33% straight line

Where there is a refurbishment of communal areas or residents rooms which have been capitalised as freehold property additions, depreciation is charged at more appropriate rates and over shorter time periods to reflect the periodic nature of enhancement and replacement of assets to suit the living needs of the residents.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.12 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.14 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

a) Establishing useful economic lives

Establishing useful economic lives for depreciation purposes of property, plant and equipment comprise a significant portion of the total fixed assets. The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review these assets useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation charges for the period. Details of the depreciation policies based on estimated useful economic lives are included in accounting policies note 2.8.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

4. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £
Donations	50,380	50,380
Grants	1,746	1,746
Total 2023	52,126	52,126

	Unrestricted funds 2022 £	Total funds 2022 £
Legacies	3,571	3,571
Grants	42,833	42,833
Total 2022	46,404	46,404

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Provision of residential care at Cove House	1,006,943	1,006,943
Independent living at Cove Orchard	55,854	55,854
Total 2023	1,062,797	1,062,797

	Unrestricted funds 2022 £	Total funds 2022 £
Provision of residential care at Cove House	868,906	868,906
Independent living at Cove Orchard	43,206	43,206
Total 2022	912,112	912,112

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Investment income	12,449	12,449
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>
	Unrestricted funds 2022 £	Total funds 2022 £
Investment income	3,602	3,602
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Total 2023 £
Provision of residential care at Cove House	1,013,700	1,013,700
Independent living at Cove Orchard	60,818	60,818
	<hr style="border-top: 1px solid #000;"/>	<hr style="border-top: 1px solid #000;"/>
Total 2023	1,074,518	1,074,518
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>
	Unrestricted funds 2022 £	Total 2022 £
Provision of residential care at Cove House	904,584	904,584
Independent living at Cove Orchard	51,421	51,421
	<hr style="border-top: 1px solid #000;"/>	<hr style="border-top: 1px solid #000;"/>
Total 2022	956,005	956,005
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

7. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2023 £	Depreciation 2023 £	Other costs 2023 £	Total 2023 £
Provision of residential care at Cove House	642,436	56,246	315,018	1,013,700
Independent living at Cove Orchard	16,505	5,607	38,706	60,818
	<u>658,941</u>	<u>61,853</u>	<u>353,724</u>	<u>1,074,518</u>

	Staff costs 2022 £	Depreciation 2022 £	Other costs 2022 £	Total 2022 £
Provision of residential care at Cove House	577,786	49,181	277,617	904,584
Independent living at Cove Orchard	12,190	5,607	33,624	51,421
	<u>589,976</u>	<u>54,788</u>	<u>311,241</u>	<u>956,005</u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Provision of residential care at Cove House	871,067	142,633	1,013,700
Independent living at Cove Orchard	31,340	29,478	60,818
	<u>902,407</u>	<u>172,111</u>	<u>1,074,518</u>

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

8. Analysis of expenditure by activities (continued)

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Provision of residential care at Cove House	765,555	139,029	904,584
Independent living at Cove Orchard	35,364	16,057	51,421
	800,919	155,086	956,005
	800,919	155,086	956,005

Analysis of direct costs

	Provision of residential care at Cove House 2023 £	Independ't living at Cove Orchard 2023 £	Total funds 2023 £
Staff costs	547,246	-	547,246
Depreciation	56,246	5,607	61,853
Staff training	4,646	-	4,646
Hotel, travel and subsistence	2,313	-	2,313
Printing and stationery	3,255	-	3,255
Telephone and fax	1,529	1,590	3,119
Advertising and promotion	10,715	-	10,715
Legal and professional, regulation costs (incl. DBS)	31,470	-	31,470
Employee benefit costs	8,623	-	8,623
Bank charges	1,555	-	1,555
Rates and water	3,920	8,342	12,262
Light and heat	39,097	3,536	42,633
Cleaning	9,747	-	9,747
Repair and maintenance	77,007	11,995	89,002
Residents' comforts & welfare	4,143	-	4,143
Food costs	62,305	-	62,305
Sundry expenses	7,250	270	7,520
	871,067	31,340	902,407
Total 2023	871,067	31,340	902,407

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Provision of residential care at Cove House 2022 £	Independent living at Cove Orchard 2022 £	Total funds 2022 £
Staff costs	485,463	(137)	485,326
Depreciation	49,181	5,607	54,788
Staff training	5,696	-	5,696
Hotels, travel and subsistence	1,182	-	1,182
Printing and stationery	2,976	45	3,021
Telephone and fax	2,537	360	2,897
Advertising and promotion	11,089	-	11,089
Legal and professional, regulation costs (incl. DBS)	16,013	-	16,013
Equipment hire	8,377	-	8,377
Bank charges	1,402	-	1,402
Rates and water	4,687	1,721	6,408
Light and heat	33,969	2,747	36,716
Cleaning	7,217	-	7,217
Repair and maintenance	77,419	24,823	102,242
Residents' comforts & welfare	3,173	-	3,173
Food costs	50,857	-	50,857
Sundry expenses	4,317	198	4,515
Total 2022	765,555	35,364	800,919

Analysis of support costs

	Provision of residential care at Cove House 2023 £	Independ't living at Cove Orchard 2023 £	Total funds 2023 £
Staff costs	95,190	16,505	111,695
Computer Costs	23,451	-	23,451
Legal and professional, regulation costs (incl. DBS)	3,600	9,184	12,784
Auditors' remuneration	11,100	1,800	12,900
Insurance	9,292	1,989	11,281
Total 2023	142,633	29,478	172,111

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Provision of residential care at Cove House 2022 £	Independent living at Cove Orchard 2022 £	Total funds 2022 £
Wages and salaries	92,326	12,327	104,653
Computer costs	15,688	-	15,688
Legal and professional, regulation costs (incl. DBS)	14,501	340	14,841
Auditors' remuneration	7,890	1,700	9,590
Insurance	8,624	1,690	10,314
Total 2022	<u>139,029</u>	<u>16,057</u>	<u>155,086</u>

9. Auditors' remuneration

	2023 £	2022 £
Fees payable to the company's auditor for the audit of the company's annual accounts	11,400	8,000
Fees payable to the company's auditor in respect of: All assurance services not included above	<u>1,500</u>	<u>1,500</u>

10. Staff costs

	2023 £	2022 £
Wages and salaries	605,420	547,224
Social security costs	42,845	33,799
Contribution to defined contribution pension schemes	10,676	8,953
	<u>658,941</u>	<u>589,976</u>

Included within the value of total staff costs are agency costs in respect of the catering function and dedicated care agency personnel.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

10. Staff costs (continued)

The average number of persons employed by the company during the year was as follows:

	2023	2022
	No.	No.
Management and administration	5	5
Catering and housekeeping	6	4
Care staff	15	20
	<u>26</u>	<u>29</u>

The average headcount expressed as full-time equivalents was 19.

	2023	2022
	No.	No.
Management and administration	5	4
Catering and housekeeping	4	3
Care staff	10	12
	<u>19</u>	<u>19</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel comprise the senior managers of the Society. Their aggregate remuneration was £116,874 (2022 - £112,570).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, expenses totaling £NIL were reimbursed or paid directly to the Trustees (2022 - £123 to one Trustee).

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

12. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 April 2022	1,051,101	87,924	48,088	77,366	1,264,479
Additions	18,522	24,729	-	2,140	45,391
At 31 March 2023	<u>1,069,623</u>	<u>112,653</u>	<u>48,088</u>	<u>79,506</u>	<u>1,309,870</u>
Depreciation					
At 1 April 2022	275,834	80,545	26,401	52,979	435,759
Charge for the year	44,163	4,054	4,244	9,392	61,853
At 31 March 2023	<u>319,997</u>	<u>84,599</u>	<u>30,645</u>	<u>62,371</u>	<u>497,612</u>
Net book value					
At 31 March 2023	<u><u>749,626</u></u>	<u><u>28,054</u></u>	<u><u>17,443</u></u>	<u><u>17,135</u></u>	<u><u>812,258</u></u>
At 31 March 2022	<u><u>775,267</u></u>	<u><u>7,379</u></u>	<u><u>21,687</u></u>	<u><u>24,387</u></u>	<u><u>828,720</u></u>

The cost of land and buildings is stated net of the Social Enterprise Investment Fund grant received in January 2012. The value of this grant was £149,961 and was spent entirely on improvements to residential accommodation at Cove House.

The Trustees are aware that the value of the freehold property is in excess of the cost included within the financial statements however have decided not to adopt a policy of revaluation of its properties.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

13. Property under construction

	Property under construction £
Valuation	
At 1 April 2022	9,923
Additions	16,744
	26,667
At 31 March 2023	26,667

This amount relates to the Cove House refurbishment. As this work was still in progress at the year end, it was not capitalised into fixed assets.

14. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	9,150	18,044
Other debtors	13,781	17,675
Prepayments and accrued income	17,172	31,014
	40,103	66,733

Due to a variance of the billing dates of residents, a significant variance has arisen within trade debtors. The effect of this timing difference has been to decrease trade debtors by £8,894.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

15. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	24,336	13,278
Other taxation and social security	18,290	11,601
Other creditors	35,470	17,262
Accruals and deferred income	43,499	55,304
	<u>121,595</u>	<u>97,445</u>
	<u><u>121,595</u></u>	<u><u>97,445</u></u>
	2023	2022
	£	£
Deferred income at 1 April 2022	8,156	6,499
Resources deferred during the year	-	8,156
Amounts released from previous periods	(8,156)	(6,499)
	<u>-</u>	<u>8,156</u>
	<u><u>-</u></u>	<u><u>8,156</u></u>

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Unrestricted funds					
Designated funds					
Cove Orchard Sinking Fund	7,952	5,700	(210)	-	13,442
Future Projects Fund	1,020,000	-	-	-	1,020,000
Maintenance Fund	99,908	-	(142,758)	142,850	100,000
	<u>1,127,860</u>	<u>5,700</u>	<u>(142,968)</u>	<u>142,850</u>	<u>1,133,442</u>
General funds					
General Funds - all funds	<u>923,795</u>	<u>1,121,672</u>	<u>(931,550)</u>	<u>(142,850)</u>	<u>971,067</u>
Total Unrestricted funds	<u><u>2,051,655</u></u>	<u><u>1,127,372</u></u>	<u><u>(1,074,518)</u></u>	<u><u>-</u></u>	<u><u>2,104,509</u></u>

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
Cove Orchard Sinking Fund	18,424	6,938	(21,124)	3,714	7,952
Future Projects Fund	1,020,000	-	-	-	1,020,000
Maintenance Fund	100,000	-	(147,998)	147,906	99,908
	<u>1,138,424</u>	<u>6,938</u>	<u>(169,122)</u>	<u>151,620</u>	<u>1,127,860</u>
General funds					
General Funds - all funds	<u>907,118</u>	<u>955,180</u>	<u>(786,883)</u>	<u>(151,620)</u>	<u>923,795</u>
Total Unrestricted funds	<u><u>2,045,542</u></u>	<u><u>962,118</u></u>	<u><u>(956,005)</u></u>	<u><u>-</u></u>	<u><u>2,051,655</u></u>

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Designated funds	1,127,860	5,700	(142,968)	142,850	1,133,442
General funds	923,795	1,121,672	(931,550)	(142,850)	971,067
	<u>2,051,655</u>	<u>1,127,372</u>	<u>(1,074,518)</u>	<u>-</u>	<u>2,104,509</u>

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

17. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Designated funds	1,138,424	6,938	(169,122)	151,620	1,127,860
General funds	907,118	955,180	(786,883)	(151,620)	923,795
	<u>2,045,542</u>	<u>962,118</u>	<u>(956,005)</u>	<u>-</u>	<u>2,051,655</u>

Unrestricted funds

General funds are the 'free reserves' after allowing for all designated funds.

Designated funds

Residents' fund receives income from fundraising events and makes expenditure on activities for the direct benefit of the residents of Cove House.

Cove Orchard sinking fund - The purpose of this fund is to build up a reserve to cover significant expenditure relating to the external fabric of the Cove Orchard properties. Income is collected from every resident on an annual basis through the estate service charge as laid out in the lease agreement.

The Future Projects fund designates reserves identified for the development of services to be provided in the future by the Society, in accordance with its objects and purposes. These funds may be used to support capital or revenue investment in line with the strategic plan developed by the Society's Trustees and officers.

The Maintenance Fund has been designated by the Society's Trustees to address some of the legacy maintenance issues associated with the upkeep of Cove House residential care home.

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	812,258	812,258
Assets under Construction	26,667	26,667
Current assets	1,387,179	1,387,179
Creditors due within one year	(121,595)	(121,595)
	<hr/>	<hr/>
Total	2,104,509	2,104,509
	<hr/> <hr/>	<hr/> <hr/>

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	828,720	828,720
Assets under Construction	9,923	9,923
Current assets	1,310,457	1,310,457
Creditors due within one year	(97,445)	(97,445)
	<hr/>	<hr/>
Total	2,051,655	2,051,655
	<hr/> <hr/>	<hr/> <hr/>

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	52,854	6,113
	<hr/>	<hr/>
Adjustments for:		
Depreciation charges	61,853	54,788
Dividends, interests and rents from investments	(12,449)	(3,602)
Decrease/(increase) in debtors	26,630	(26,477)
Increase/(decrease) in creditors	24,150	(920)
	<hr/>	<hr/>
Net cash provided by operating activities	153,038	29,902
	<hr/> <hr/>	<hr/> <hr/>

ABBNEYFIELD SILVERDALE SOCIETY
(A Company Limited by Guarantee)

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

20. Analysis of cash and cash equivalents

	2023	2022
	£	£
Cash in hand	1,347,076	1,243,724
Total cash and cash equivalents	1,347,076	1,243,724

21. Analysis of changes in net debt

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	1,243,724	103,352	1,347,076
	<u>1,243,724</u>	<u>103,352</u>	<u>1,347,076</u>

22. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £10,676 (2022 - £8,953). Contributions totaling £4,087 (2022 - £2,268) were payable to the fund at the balance sheet date and are included in creditors.

23. Operating lease commitments

The company had commitments of £986 all due within one year under non-cancellable operating leases at 31 March 2023.

24. Related party transactions

Dr June Greenwell and her husband are residents of Cove Orchard and pay the standard service fee to the Society.

25. Controlling party

The ultimate controlling party for all the financial affairs of the Society, as laid out in the Society's Articles of Association is the Executive Committee of the Board of Trustees.

ABBNEYFIELD SILVERDALE SOCIETY

England & Wales - Charity number 1174376

Accounts

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

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ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND DIRECTORS
AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees and Directors	Canon P K Warren, President Dr A Wells Mr J W Robson Mrs S Caddy Mr M Casson Mr A G Davies Dr J Greenwell Mrs J Jones Dr N Martin Mr G Walker, Chair (appointed 27 January 2022) Mr M Rhodes (resigned 31 March 2022) Mr J F Whalley (resigned 31 March 2022)
Company registered number	10845391
Charity registered number	1174376
Registered office	Cove House Cove Road Silverdale Carnforth Lancashire LA5 0SG
Company Secretary	Catherine Humphreys ACMA
Chief Executive Officer	Catherine Humphreys ACMA
Independent auditors	Armstrong Watson Audit Limited Chartered Accountants and Statutory Auditors Fairview House Victoria Place Carlisle Cumbria CA1 1HP
Solicitors	Progression Solicitors 11 Queen Street Ulverston Lancashire LA12 7AF

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

The chairman presents his statement for the year.

At the beginning of the financial year the Chair of our Society, Dr Andrew Wells, stepped down as Chair due to ongoing health issues. We were extremely grateful to John Robson for taking over on a temporary basis until I became permanent Chair in January 2022. I would like to extend my huge thanks to all the work that Andy undertook in his role and, similarly thank John for acting as Chair during this period. I am very fortunate that both Andy and John continue to play an active role in the Society and have been there to offer me advice and help during a rather turbulent time. All Trustees at Cove House have been extremely welcoming and supportive.

Although the impact of COVID-19 was not as significant during the 2021-2022 financial year, we still had to manage significant episodic spikes over the winter period which resulted in further restrictions. In addition, there were a significant number of staff who contracted COVID. Once again, the management and staff were magnificent in their response, and the House and residents were supported through this difficult time. By the end of this financial year, we were able to return to a degree of 'normality' with full visitor access and Trustees being able to meet in person.

As a result of nearly two years operating within the pandemic, the occupancy rate remained at about 85% which is consistent with other local Care Settings and the National picture. Rates of occupation are now looking more positive with a robust waiting list and a rise in enquiries.

The Morecambe Bay group of houses continued to meet as we explored potential merger options. However, during the year Abbeyfield Extra Care Society (Hartland House) withdrew from the group and Abbeyfield Furness Society (Staveley House) made a decision to review their commitment. There was one notable outcome resulting from the Merger Group, with the Trustees of Abbeyfield Barrow in Furness (Millennium House) voting in principle to merge into the Silverdale Society. Trustees at ASS voted unanimously to support this proposal and due diligence is now taking place with the merger likely to be completed in the 2022-23 financial year. This will represent a very important event for our house as we integrate a Supported Living House into our existing portfolio.

.....
Geoff Walker
Chair of the Board of Trustees

Date:

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees of Abbeyfield Silverdale Society (“the Society”) are pleased to present their annual directors’ report and financial statements for the year ending 31 March 2022. The financial statements are prepared in accordance with the current Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102 effective 1 January 2019). In addition, the financial statements are prepared to meet the requirements for a directors’ report and accounts for Companies Act purposes.

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors’ Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The principal purpose of the Society is:

The relief and care of elderly persons suffering from the disabilities of old age or otherwise being in need, including by the provision and management of housing and/or residential care homes and/or hostels.

In the furtherance of these objects, but not otherwise, the Society may:

- (a) provide and maintain or assist in providing and maintaining housing and/or residential care homes and/or hostels for such elderly persons; and
- (b) provide or assist in providing care, support, amenities or services for the benefit of such elderly persons.

The Society operates a residential care home for 23 elderly people, one supported living unit and a retirement living complex, Cove Orchard, on its site in Silverdale, north Lancashire. This forms the basis of the Society’s primary activities, which are to provide care and support to older people. The Abbeyfield Silverdale Society is a member of the Abbeyfield movement, whose purposes have been regarded as being for the public benefit for over 50 years. By providing accommodation and services the Society meets the needs of older people for accommodation and other services suited to their needs. These services are open to all older people in need regardless of their mental or physical frailty. These include, but are not limited to, people suffering from dementia, Parkinson’s as well as those being supported at the end of their life.

Through the provision of its services, the Society aims also to combat the loneliness and social isolation that is often associated with old age and improve the physical, mental and social wellbeing of residents through the provision of appropriate and inclusive activities, often carried out by volunteers.

The Society serves the local community but does not apply any form of restriction, geographical or otherwise to members of the public who would seek to make use of its services. The Society’s residential care operations are regulated by the Care Quality Commission, which has rated its services as ‘Good’ for several years.

The services offered by the Trustees of the Society are deemed to be beneficial by their nature and are available to a large section of the public. In common with many charitable care homes, the Society charges for its services in order to provide sustainable, high-quality care for older people. The charges are in a broad range and considered affordable in the market. Beneficiaries need to be able to afford their accommodation and service costs either from their own means or from funders such as local authorities. The number of local authority funded residents varies from time to time and no limit is placed on the number accepted by the Society. Different styles of accommodation are offered at different rates in order to promote maximum inclusivity and access to the Society’s services. In addition, some services provided by the Society are subsidised to ensure that they are widely affordable, for example when meals are provided to the residents of Cove Orchard this is done so at cost price and assistance equipment supplied free of charge.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

b. Main activities undertaken to further the company's purposes for the public benefit

The Trustees have considered the guidance issued by the Charity Commission in respect of public benefit and confirm through their activities and objectives that they adhere to this guidance.

The views and opinions of our residents and their families are regularly sought about the activities that the Society undertakes. A record of these consultations is available for inspection.

Achievements and performance

a. Review of activities

The financial year ending in March 2022 has again been entirely dominated by the COVID-19 worldwide pandemic. Whilst the Society was less adversely affected than other adult social care providers, it has undoubtedly been the most challenging year in the history of the Society. There have been significant impacts on both operational and governance arrangements resulting from government regulation required to combat the effects of COVID-19.

Cove House experienced a further outbreak of COVID-19 in January 2022 but, as a result largely of 100% voluntary uptake of the vaccine, the outbreak only presented mild symptoms for staff and residents. CQC completed a review of deaths in care homes throughout England and Wales and the published results can be seen on their website.

The overall occupancy level for the year was the lowest in the Society's recent history and entirely the result of the pandemic regulations which required extensive periods of self isolation for new residents. The board of trustees are satisfied with this level of occupancy in the circumstances and feel that its duties have been discharged in meeting the needs of older people in the area and maintaining a safe environment for residents and staff at Cove House during the pandemic. However, day care and respite care could not be provided during the financial year.

The review of the Society's strategy, which started in 2019-20, has remained static during the pandemic but, as restrictions began to ease in March 2022, the trustees began to consider its strategic goals again. The focus of the strategy remains financial stability and the provision of the highest quality service through the growth and diversification of services. The board of trustees remains ambitious to achieve an outstanding rating from CQC as well as develop its site in Silverdale to facilitate diversification of housing and services to older people. To that end, the working group that had been formed to consider the Cove House Improvement Plan has been working with Harrison Pitt Architects during 2021-22 to evaluate the entire site and draw up plans to complete the improvements to operational areas and incorporate a new build extension. The plans were approved by the trustees in February 2022 to go forward for costing and pre planning evaluation. In addition, the Society is a Real Living Wage employer and accredited with The Living Wage Foundation.

Activities and visiting resumed during the year, although some restrictions on visiting arrangements remained in place for much of the time and lifted significantly in April 2022. Residents were delighted that a level of normality returned and they were able to make meaningful contact with family and friends again.

The residents of Cove Orchard have continued to be supported as far as possible within the pandemic regulations and, whilst the Society does not provide direct personal care, the aging nature of the residents has meant that the Society's staff continue to become more involved in the lives of the Cove Orchard residents. The Society is proud to be one of the few organisations in this region to have developed housing specially designed for older people to enable them to successfully live independently into older age, with many of the Cove Orchard residents now in their nineties.

The local Abbeyfield societies continue to provide mutual support and direct assistance to each other where necessary and continued to meet during the year to discuss closer formal collaboration.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

b. Fundraising

The Charities Act 2011 requires charities to make a statement regarding fundraising activities. Where fundraising is carried out the amounts raised are presented in the accounts as voluntary income and include legacies and grants. No fundraising was carried out during the financial year as a result of the COVID-19 pandemic restrictions imposed on the adult social care sector by the Government.

c. Investment policy and performance

The Society does not currently hold an investment portfolio in stocks, shares or other investment vehicle.

Financial review

a. Financial review

The financial year 2021-22 has proved financially challenging and the year end surplus is entirely the result of government grants provided to support additional costs incurred by front line services during the pandemic.

The main income source for the Society comes from its residential fees and the Trustees are always mindful of the cost of residential care and the impact of fee increases. In 2021-22, the fees remained in line with other providers in the area.

During the year government grant income totalled £40,250 to support the Society with staff costs and infection control measures. As in the previous year, the Society was required to provide regular returns to Lancashire County Council to confirm that the Society expended the grant money in line with the terms on which it had been given. The Infection Control Fund grant provided additional financial resource to support the cost of additional infection control materials and equipment as well as ensuring that staff are able to isolate on full pay. Although the Society achieved an overall surplus of £6,113, after excluding the value of the grant income of £40,250, the Society went into deficit by £34,137. The reduction in income and the increase in costs is due entirely to the circumstances of the pandemic and the low occupancy level resulting from the Government restrictions. New admissions were severely curtailed as families were anxious about the circumstances facing residential care homes and many chose to 'hang on' until the situation improved. The Society has also faced significant additional staffing costs as a result of COVID-19, with the staff sickness remaining close to 5% from a pre-pandemic year on year average of just 2%.

The Society however was able to continue investing in the fabric of its buildings and grounds and to address legacy maintenance issues. The Society carried out a complete renovation of the Cove House attic area for fire safety and insulation purposes. The rolling programme of maintenance to residents' rooms continued alongside replacement of windows and the external guttering. In total the Society spent £200,000 on capital improvements to Cove House during the 2021-22 financial year.

The Society's financial resources consist mainly of cash reserves and bank deposits, which are sufficient to meet its day to day requirements. The statement of cash flows on page 17 of the financial statements details the movement in cash during the financial year. Cascade Cash Management continue to manage the Society's cash reserves of £1.02 million, which are fully protected under the Financial Services Compensation Scheme. In terms of risk evaluation, the trustees felt that the financial protection of the Society's reserves was a higher priority than financial return through higher interest rates.

The Society's reserves are made up of both cash reserves and physical assets and the trustees have structured the reserves into designated funds in order to meet the needs of both its strategic plans and its operational activities. The main physical asset of the Society is Cove House for which the Maintenance Fund is designated to cover ongoing repairs and renovations to the house to ensure it meets the needs of the residents. The remaining funds are structured to support the Society's strategic objectives and its obligations under the Cove Orchard lease.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

b. COVID-19 pandemic

Throughout the 2021-22 financial year the Society has had to manage the impact of COVID-19. This is reflected in the financial impact on the Society of lost income as a result of a significant drop in demand for residential care as well as the increased staff costs and the cost of additional infection prevention measures. Day care was suspended and is unlikely to resume until later in the 2022-23 financial year. Staff recruitment has been significantly impacted with vacancies remaining open for prolonged periods which has meant increased expenditure on agency staff.

The pandemic continued to have an impact on governance arrangements during the financial year 2021-22. Whilst some trustee meetings were able to be held in person as restrictions eased, some meetings were held virtually in order to reduce risks to the health of the Trustees and staff. Where meetings were held virtually, they were conducted in accordance with the Charity Commission guidance on holding trustee meetings during the COVID-19 pandemic.

In all other matters, the Trustees are confident that the Society is able to continue its operations.

c. Going concern

The purpose of the Society's reserves is to provide sufficient protection for the Society against changing financial circumstances and to support future business development initiatives to enable the Society to continue to fulfil its principal purpose. The level of general reserves as reflected in Note 17 to the financial statements is represented by tangible assets and net current assets and is considered sufficient for the Society to meet its short to medium term expenditure obligations. The Society's cash reserves significantly outweigh its short term and long term liabilities.

The Trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Structure, governance and management

a. Constitution

The company is registered as a members' limited liability company number 10845391 and was set up by Memorandum of Association on 30 June 2017.

The Society is also registered with and regulated by the Charity Commission for England and Wales, registration number 1174376.

b. Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The composition of the Board, the method of appointment of Trustees and the retirement or removal of Trustees is covered in detail in clauses 19 and 20 of the Articles of Association of the Society.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

c. Organisational structure and decision making policies

All operational decision making is delegated by the Board of Trustees to the Chief Executive Officer as head of staff. Financial delegation is documented in the Society's Financial Standing Orders.

The Board of Trustees currently meets ten times per annum and receives detailed financial and operational reports from the Chief Executive Officer and the Registered Care Manager, which enables the Trustees to discharge their statutory and governance duties.

d. Policies adopted for the induction and training of Trustees

All Trustees receive documents published by the Charity Commission relating to the role of a trustee. In addition, Trustees are able to attend The Abbeyfield Society induction course for new trustees, although this has been paused during the COVID-19 pandemic. New trustees spend time with the Chief Executive Officer and the Registered Care Manager in order to get a detailed understanding of the financial position and other operational issues affecting the Society. However throughout the COVID-19 pandemic this has not been possible and the new trustee appointment was provided with Charity Commission documentation to support the initial induction phase.

e. Pay policy for key management personnel

The Remuneration committee, a sub-committee of the Board of Trustees, meets on an annual basis to consider the salaries of the Chief Executive Officer and the Registered Care Manager. The Remuneration committee makes a recommendation to the Board of Trustees for approval. The Remuneration committee is chaired by a Trustee other than the Chair of the Society.

f. Risk management

The Chief Executive Officer presents the Society's corporate risk register to the Trustees for consideration and review from time to time. The corporate risk register evaluates the major risks to which the Society is exposed, in particular those relating to finance, governance and operations and the Trustees are satisfied that there are systems and procedures in place to mitigate the Society's exposure to the most significant risks.

Trustees are indemnified by a trustee indemnity insurance policy provided by The Abbeyfield Society as part of the membership agreement.

Plans for future periods

Future Developments

During 2020-21 the four independent Abbeyfield societies in the Morecambe Bay area began working together under a formal cooperative agreement to support governance and business operations. The impact of the pandemic, particularly on charitable organisations, brought about a realisation amongst the Trustees of each of the parties to the Memorandum of Understanding (MOU) that closer working was necessary in order to build organisational and business resilience. At the end of March 2022, the Abbeyfield Barrow in Furness Society requested a formal merger with Abbeyfield Silverdale Society, which was formally accepted by the Trustees of Abbeyfield Silverdale in the post year end period. The expectation is that the merger will be completed by 31st March 2023 subject to Abbeyfield Silverdale Society becoming registered with the Regulator for Social Housing.

The development plans for the Society's site in Silverdale will continue throughout the 2022-23 financial year.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Armstrong Watson Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....
Mrs C M Humphreys ACMA
Secretary

Date:

ABBEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBEYFIELD SILVERDALE SOCIETY

Opinion

We have audited the financial statements of Abbeyfield Silverdale Society (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure 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 Charities Act 2011.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustees' 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 charitable 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 Trustees with respect to going concern are described in the relevant sections of this report.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBNEYFIELD SILVERDALE SOCIETY
(CONTINUED)

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 Auditors' report thereon. Our opinion on the financial statements does not cover the other information and 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 material 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBNEYFIELD SILVERDALE SOCIETY
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Trustees and other management, and from our commercial knowledge and experience of the residential care home sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBNEYFIELD SILVERDALE SOCIETY
(CONTINUED)

- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or 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 Auditors' report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 charitable company and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Armstrong Watson Audit Limited

Chartered Accountants and Statutory Auditors
Carlisle

Date:

Armstrong Watson Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies	4	46,404	46,404	53,299
Charitable activities	5	912,112	912,112	924,872
Investments	6	3,602	3,602	760
		<u>962,118</u>	<u>962,118</u>	<u>978,931</u>
Total income				
Expenditure on:				
Charitable activities	7	956,005	956,005	944,916
		<u>956,005</u>	<u>956,005</u>	<u>944,916</u>
Total expenditure				
		<u>6,113</u>	<u>6,113</u>	<u>34,015</u>
Net movement in funds				
Reconciliation of funds:				
Total funds brought forward		2,045,542	2,045,542	2,011,527
Net movement in funds		6,113	6,113	34,015
		<u>2,051,655</u>	<u>2,051,655</u>	<u>2,045,542</u>
Total funds carried forward				

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 17 to 36 form part of these financial statements.

ABBNEYFIELD SILVERDALE SOCIETY**(A company limited by guarantee)****REGISTERED NUMBER: 10845391****BALANCE SHEET
AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	828,720	684,574
Property under construction	13	9,923	-
		<hr/>	<hr/>
		838,643	684,574
Current assets			
Debtors	14	66,733	26,696
Cash at bank and in hand	20	1,243,724	1,419,077
		<hr/>	<hr/>
		1,310,457	1,445,773
Creditors: amounts falling due within one year	15	(97,445)	(84,805)
		<hr/>	<hr/>
Net current assets		1,213,012	1,360,968
		<hr/>	<hr/>
Total assets less current liabilities		2,051,655	2,045,542
		<hr/>	<hr/>
Total net assets		2,051,655	2,045,542
		<hr/> <hr/>	<hr/> <hr/>

ABBNEYFIELD SILVERDALE SOCIETY

(A company limited by guarantee)

REGISTERED NUMBER: 10845391

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Charity funds			
Restricted funds	16	-	-
Unrestricted funds	16	2,051,655	2,045,542
Total funds		2,051,655	2,045,542

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
Geoff Walker

Chair of the Board of Trustees

Date:

The notes on pages 17 to 36 form part of these financial statements.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	£	£
Cash flows from operating activities		
Net cash used in operating activities	29,902	116,134
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	3,602	760
Purchase of tangible fixed assets	(198,934)	(143,763)
Purchase of fixed asset additions not capitalised	(9,923)	-
	<hr/>	<hr/>
Net cash used in investing activities	(205,255)	(143,003)
	<hr/>	<hr/>
Cash flows from financing activities		
	<hr/>	<hr/>
Net cash provided by financing activities	-	-
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(175,353)	(26,869)
Cash and cash equivalents at the beginning of the year	1,419,077	1,445,946
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	1,243,724	1,419,077
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 17 to 36 form part of these financial statements

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. General information

Abbeyfield Silverdale Society is a charitable company without share capital, incorporated in England and Wales. The registered office is Cove House, Cove Road, Silverdale, Carnforth, Lancashire, LA5 0SG and the company number is 10845391.

The Charity's principal business activity is the provision of residential care to the elderly.

The presentational and functional currency of the financial statements is Pound Sterling.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Companies Act 2006.

Abbeyfield Silverdale Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2.3 Going concern

The Trustees have indicated that they believe that the charity is a going concern. When making this assessment, the Trustees have considered the financial impact the COVID-19 pandemic will have on the charity for a period beyond 12 months from the date of signing the financial statements. Net assets at the balance sheet date were £2,052k and cash reserves were £1,244k, and the charity entered the pandemic in surplus.

The Trustees believe the level of liquid reserves held by the charity are sufficient to allow the charity to meet its liabilities as they fall due and so consider the charity a going concern.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.4 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the company, can be reliably measured.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives,

Depreciation is provided on the following bases:

Freehold property	- 1-2% straight line
Care equipment	- 10-33% straight line
Fixtures and fittings	- 10-33% straight line
Office equipment	- 10-33% straight line

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.12 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.14 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

a) Establishing useful economic lives

Establishing useful economic lives for depreciation purposes of property, plant and equipment comprise a significant portion of the total fixed assets. The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review these assets useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation charges for the period. Details of the depreciation policies based on estimated useful economic lives are included in accounting policies note 2.8.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £
Legacies	3,571	3,571
Grants	42,833	42,833
Total 2022	46,404	46,404

Sums recovered through the Coronavirus Job Retention Scheme are included within grants.

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Legacies	1,116	1,116
Grants	52,183	52,183
<i>Total 2021</i>	<i>53,299</i>	<i>53,299</i>

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Provision of residential care at Cove House	868,906	868,906
Independent living at Cove Orchard	43,206	43,206
Total 2022	912,112	912,112

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Provision of residential care at Cove House	886,042	886,042
Independent living at Cove Orchard	38,830	38,830
<i>Total 2021</i>	<i>924,872</i>	<i>924,872</i>

ABBNEYFIELD SILVERDALE SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income	3,602	3,602
<i>Unrestricted funds 2021</i>		
	<i>£</i>	<i>£</i>
Investment income	760	760

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total funds 2022 £
Provision of residential care at Cove House	904,584	904,584
Independent living at Cove Orchard	51,421	51,421
Total 2022	956,005	956,005
<i>Unrestricted funds 2021</i>		
	<i>£</i>	<i>£</i>
Provision of residential care at Cove House	893,376	893,376
Independent living at Cove Orchard	51,540	51,540
<i>Total 2021</i>	<i>944,916</i>	<i>944,916</i>

ABBNEYFIELD SILVERDALE SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2022 £	Depreciation 2022 £	Other costs 2022 £	Total funds 2022 £
Provision of residential care at Cove House	577,786	49,181	277,617	904,584
Independent living at Cove Orchard	12,190	5,607	33,624	51,421
	<u>589,976</u>	<u>54,788</u>	<u>311,241</u>	<u>956,005</u>

	<i>Staff costs 2021 £</i>	<i>Depreciation 2021 £</i>	<i>Other costs 2021 £</i>	<i>Total funds 2021 £</i>
Provision of residential care at Cove House	593,825	43,283	256,268	893,376
Independent living at Cove Orchard	18,117	4,782	28,641	51,540
	<u>611,942</u>	<u>48,065</u>	<u>284,909</u>	<u>944,916</u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Provision of residential care at Cove House	765,555	139,030	904,585
Independent living at Cove Orchard	35,364	16,057	51,421
	<u>800,919</u>	<u>155,087</u>	<u>956,005</u>

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

8. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Provision of residential care at Cove House	764,859	128,517	893,376
Independent living at Cove Orchard	41,426	10,114	51,540
	<u>806,285</u>	<u>138,631</u>	<u>944,916</u>

Analysis of direct costs

	Provision of residential care at Cove House 2022 £	Independ't living at Cove Orchard 2022 £	Total funds 2022 £
Staff costs	485,463	(137)	485,326
Depreciation	49,181	5,607	54,788
Staff training	5,696	-	5,696
Hotels, travel and subsistence	1,182	-	1,182
Printing and stationery	2,976	45	3,021
Telephone and fax	2,537	360	2,897
Advertising and promotion	11,089	-	11,089
Legal and professional, regulation costs (incl. DBS)	16,013	-	16,013
Equipment hire	8,377	-	8,377
Bank charges	1,402	-	1,402
Rates and water	4,687	1,721	6,408
Light and heat	33,969	2,747	36,716
Cleaning	7,217	-	7,217
Repairs and maintenance	77,419	24,823	102,242
Residents' comforts & welfare	3,173	-	3,173
Food costs	50,857	-	50,857
Sundry expenses	4,317	198	4,515
Total 2022	<u>765,555</u>	<u>35,364</u>	<u>800,919</u>

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Provision of residential care at Cove House 2021 £</i>	<i>Independent living at Cove Orchard 2021 £</i>	<i>Total funds 2021 £</i>
Staff costs	498,261	10,783	509,044
Depreciation	43,283	4,782	48,065
Staff training	2,905	-	2,905
Hotels, travel and subsistence	276	-	276
Printing and stationery	2,435	1,050	3,485
Telephone and fax	6,882	360	7,242
Advertising and promotion	5,206	-	5,206
Legal and professional, regulation costs (incl. DBS)	15,620	-	15,620
Equipment hire	535	-	535
Bank charges	1,012	-	1,012
Rates and water	7,186	4,306	11,492
Light and heat	33,775	2,010	35,785
Cleaning	7,911	1,278	9,189
Repairs and maintenance	78,430	16,857	95,287
Residents' comforts & welfare	1,530	-	1,530
Food costs	48,325	-	48,325
Sundry expenses	11,287	-	11,287
Total 2021	764,859	41,426	806,285

Analysis of support costs

	Provision of residential care at Cove House 2022 £	Independ't living at Cove Orchard 2022 £	Total funds 2022 £
Staff costs	92,326	12,327	104,653
Computer costs	15,688	-	15,688
Legal and professional, regulation costs (incl. DBS)	14,501	340	14,841
Auditors' remuneration	7,890	1,700	9,590
Insurance	8,624	1,690	10,314
Total 2022	139,029	16,057	155,086

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Provision of residential care at Cove House 2021 £</i>	<i>Independent living at Cove Orchard 2021 £</i>	<i>Total funds 2021 £</i>
Wages and salaries	95,564	7,334	102,898
Computer costs	18,319	-	18,319
Legal and professional, regulation costs (incl. DBS)	2,639	-	2,639
Auditors' remuneration	5,250	900	6,150
Insurance	6,258	1,880	8,138
Sundry expenses	487	-	487
<i>Total 2021</i>	<u>128,517</u>	<u>10,114</u>	<u>138,631</u>

9. Auditors' remuneration

	2022 £	2021 £
Fees payable to the company's auditor for the audit of the company's annual accounts	8,000	4,150
Fees payable to the company's auditor in respect of: All assurance services not included above	1,500	1,050
	<u>9,500</u>	<u>5,200</u>

10. Staff costs

	2022 £	2021 £
Wages and salaries	547,224	564,487
Social security costs	33,799	38,518
Contribution to defined contribution pension schemes	8,953	8,937
	<u>589,976</u>	<u>611,942</u>

Included within the value of total staff costs are agency costs in respect of the catering function and dedicated care agency personnel.

ABBNEYFIELD SILVERDALE SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

10. Staff costs (continued)

The average number of persons employed by the company during the year was as follows:

	2022	<i>2021</i>
	No.	<i>No.</i>
Management and administration	5	5
Catering and housekeeping	4	4
Care staff	20	18
	29	<i>27</i>
	29	<i>27</i>

The average headcount expressed as full-time equivalents was 19.

	2022	<i>2021</i>
	No.	<i>No.</i>
Management and administration	4	5
Catering and housekeeping	3	2
Care staff	12	13
	19	<i>20</i>
	19	<i>20</i>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel comprise the senior managers of the Society. Their aggregate remuneration was £112,570 (2021 - £110,771).

ABBNEYFIELD SILVERDALE SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, expenses totaling £123 were reimbursed or paid directly to the Trustees (2021 - £NIL).

12. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 April 2021	858,087	86,674	43,418	77,366	1,065,545
Additions	193,014	1,250	4,670	-	198,934
At 31 March 2022	<u>1,051,101</u>	<u>87,924</u>	<u>48,088</u>	<u>77,366</u>	<u>1,264,479</u>
Depreciation					
At 1 April 2021	237,860	76,908	23,440	42,763	380,971
Charge for the year	37,974	3,637	2,961	10,216	54,788
At 31 March 2022	<u>275,834</u>	<u>80,545</u>	<u>26,401</u>	<u>52,979</u>	<u>435,759</u>
Net book value					
At 31 March 2022	<u><u>775,267</u></u>	<u><u>7,379</u></u>	<u><u>21,687</u></u>	<u><u>24,387</u></u>	<u><u>828,720</u></u>
At 31 March 2021	<u><u>620,227</u></u>	<u><u>9,766</u></u>	<u><u>19,978</u></u>	<u><u>34,603</u></u>	<u><u>684,574</u></u>

The cost of land and buildings is stated net of the Social Enterprise Investment Fund grant received in January 2012. The value of this grant was £149,961 and was spent entirely on improvements to residential accommodation at Cove House.

The Trustees are aware that the value of the freehold property is in excess of the cost included within the financial statements however have decided not to adopt a policy of revaluation of its properties.

The Charity was contractually committed to the purchase of a generator costing £18,524 at the balance sheet date. The balance is expected to be settled within 12 months of the year end.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

13. Property under construction

	Property under construction £
Valuation	
Additions	9,923
At 31 March 2022	9,923

This amount relates to the Cove House refurbishment. As this work was still in progress at the year end, it was not capitalised into fixed assets.

14. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	18,044	219
Other debtors	17,675	12,974
Prepayments and accrued income	31,014	13,503
	66,733	26,696

Due to a variance of the billing dates of residents, a significant variance has arisen within trade debtors. The effect of this timing difference has been to increase trade debtors by £17,825.

ABBNEYFIELD SILVERDALE SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. Creditors: Amounts falling due within one year

	2022	<i>2021</i>
	£	£
Trade creditors	13,278	<i>12,437</i>
Other taxation and social security	11,601	<i>10,355</i>
Other creditors	17,262	<i>14,164</i>
Accruals and deferred income	55,304	<i>47,849</i>
	<hr/> 97,445 <hr/>	<hr/> <i>84,805</i> <hr/>
	2022	<i>2021</i>
	£	£
Deferred income at 1 April 2021	6,499	<i>65,861</i>
Resources deferred during the year	8,156	<i>6,499</i>
Amounts released from previous periods	(6,499)	<i>(65,861)</i>
	<hr/> 8,156 <hr/>	<hr/> <i>6,499</i> <hr/>

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
Cove Orchard Sinking Fund	18,424	6,938	(21,124)	3,714	7,952
Future Projects Fund	1,020,000	-	-	-	1,020,000
Maintenance Fund	100,000	-	(147,998)	147,906	99,908
	<u>1,138,424</u>	<u>6,938</u>	<u>(169,122)</u>	<u>151,620</u>	<u>1,127,860</u>
General funds					
General Fund	907,118	955,180	(786,883)	(151,620)	923,795
	<u>907,118</u>	<u>955,180</u>	<u>(786,883)</u>	<u>(151,620)</u>	<u>923,795</u>
Total Unrestricted funds	<u><u>2,045,542</u></u>	<u><u>962,118</u></u>	<u><u>(956,005)</u></u>	<u><u>-</u></u>	<u><u>2,051,655</u></u>

ABBNEYFIELD SILVERDALE SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 31 March 2021</i>
	£	£	£	£	£
Unrestricted funds					
Designated funds					
Residents' Funds	-	-	(543)	543	-
Cove Orchard Sinking Fund	16,325	5,813	(3,714)	-	18,424
Future Projects Fund	1,204,390	-	-	(184,390)	1,020,000
Maintenance Fund	150,000	-	(131,049)	81,049	100,000
	<u>1,370,715</u>	<u>5,813</u>	<u>(135,306)</u>	<u>(102,798)</u>	<u>1,138,424</u>
General funds					
General Funds - all funds	<u>640,812</u>	<u>973,118</u>	<u>(809,610)</u>	<u>102,798</u>	<u>907,118</u>
Total Unrestricted funds	<u>2,011,527</u>	<u>978,931</u>	<u>(944,916)</u>	<u>-</u>	<u>2,045,542</u>

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021	Income	Expenditure	Transfers in/out	Balance at 31 March 2022
	£	£	£	£	£
Designated funds	1,138,424	6,938	(169,122)	151,620	1,127,860
General funds	907,118	955,180	(786,883)	(151,620)	923,795
	<u>2,045,542</u>	<u>962,118</u>	<u>(956,005)</u>	<u>-</u>	<u>2,051,655</u>

ABBNEYFIELD SILVERDALE SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

17. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2021 £</i>
Designated funds	1,370,715	5,813	(135,306)	(102,798)	1,138,424
General funds	640,812	973,118	(809,610)	102,798	907,118
	<u>2,011,527</u>	<u>978,931</u>	<u>(944,916)</u>	<u>-</u>	<u>2,045,542</u>

Unrestricted funds

General funds are the 'free reserves' after allowing for all designated funds.

Designated funds

Residents' fund receives income from fundraising events and makes expenditure on activities for the direct benefit of the residents of Cove House.

Cove Orchard sinking fund - The purpose of this fund is to build up a reserve to cover significant expenditure relating to the external fabric of the Cove Orchard properties. Income is collected from every resident on an annual basis through the estate service charge as laid out in the lease agreement.

The Future Projects fund designates reserves identified for the development of services to be provided in the future by the Society, in accordance with its objects and purposes. These funds may be used to support capital or revenue investment in line with the strategic plan developed by the Society's Trustees and officers.

The Maintenance Fund has been designated by the Society's Trustees to address some of the legacy maintenance issues associated with the upkeep of Cove House residential care home.

ABBNEYFIELD SILVERDALE SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	828,721	828,721
Assets under Construction	9,923	9,923
Current assets	1,296,896	1,296,896
Creditors due within one year	(83,885)	(83,885)
Total	<u>2,051,655</u>	<u>2,051,655</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	684,574	684,574
Current assets	1,445,773	1,445,773
Creditors due within one year	(84,805)	(84,805)
Total	<u>2,045,542</u>	<u>2,045,542</u>

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	<i>2021 £</i>
Net income for the year (as per Statement of Financial Activities)	<u>6,113</u>	<u>34,015</u>
Adjustments for:		
Depreciation charges	54,788	48,065
Dividends, interests and rents from investments	(3,602)	(760)
Decrease/(increase) in debtors	(26,477)	89,603
Decrease in creditors	(920)	(54,789)
Net cash provided by operating activities	<u>29,902</u>	<u>116,134</u>

ABBNEYFIELD SILVERDALE SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

20. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	1,243,724	1,419,077
Total cash and cash equivalents	1,243,724	1,419,077

21. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	1,419,077	(175,353)	1,243,724
	1,419,077	(175,353)	1,243,724

22. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £8,953 (2021 - £8,937). Contributions totaling £2,268 (2021 - £3,145) were payable to the fund at the balance sheet date and are included in creditors.

23. Operating lease commitments

The company had no commitments under non-cancellable operating leases at 31 March 2022.

24. Related party transactions

Dr June Greenwell and her husband are residents of Cove Orchard and pay the standard service fee to the Society.

Abbeyfield Lakeland Extra Care Society Ltd was provided with support services amounting to £1,639 during the year. G Walker, Trustee is also a Trustee of this charity.

25. Controlling party

The ultimate controlling party for all the financial affairs of the Society, as laid out in the Society's Articles of Association is the Executive Committee of the Board of Trustees.

ABBNEYFIELD SILVERDALE SOCIETY

England & Wales - Charity number 1174376

Accounts

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

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ABBNEYFIELD SILVERDALE SOCIETY
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND DIRECTORS
AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees and Directors	Canon P K Warren, President Dr A Wells Mr J W Robson, Chair Mrs S Caddy Mr M Casson Mr A G Davies Dr J Greenwell Mrs J Jones Dr N Martin Mr M J Moon (resigned 6 April 2020) Mr K E Porcher (resigned 20 October 2020) Mr M Rhodes Mr R Richardson (resigned 24 September 2020) Mr J F Whalley (appointed 23 February 2021)
Company registered number	10845391
Charity registered number	1174376
Registered office	Cove House Cove Road Silverdale Carnforth Lancashire LA5 0SG
Company Secretary	Catherine Humphreys ACMA
Chief Executive Officer	Catherine Humphreys ACMA
Independent auditors	Armstrong Watson Audit Limited Chartered Accountants and Statutory Auditors Fairview House Victoria Place Carlisle Cumbria CA1 1HP
Bankers	NatWest Business Centre 1st Floor 1 St Pauls Place 121 Norfolk Street Sheffield S1 2JF CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND DIRECTORS
AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Solicitors

Progression Solicitors
11 Queen Street
Ulverston
Lancashire
LA12 7AF

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

The chairman presents his statement for the year.

For us as, for other care homes up and down the country, 2020-2021 has been the year of the pandemic. As I write this report the third wave of infections continues to grow but we are remaining vigilant and are confident that we can meet the demands of the situation. I wish to pay tribute to our staff whose behaviour has been magnificent and particularly to the leadership of our CEO and RCM. We have lost three residents to the pandemic but have done well by national standards. The impact of the pandemic on life at Cove House has been substantial but the sheltered environment and our spacious gardens and grounds have helped with the fundamental tasks of caring for our elderly and vulnerable residents and alleviating loneliness. Visits have, of necessity, been severely restricted but the deployment of our visiting pod has been popular and the facility is now well used. I would like to thank Dr Jerry Martin for suggesting and organising the purchase.

Board meetings throughout the year were held virtually which worked better than we originally envisaged. Regular hub calls with our sister houses around Morecambe Bay have been important for keeping us in touch with each other and with developments in the Abbeyfield family more widely. Regular local communications have made us feel less isolated and the sharing of ideas and experience have promoted greater resilience. The MOU group has continued discussions throughout the year.

Occupancy figures for the year as a whole are slightly below 90%. These figures are consistent with the national picture. The elderly residential care sector has been hit hard by the pandemic and by sometimes sensationalist reporting in the national media. Enquiries fell over the course of the year but are now picking up. It remains to be seen whether the government will address the issues facing the management and funding of social care.

We have continued to play an active part in the development of the national Abbeyfield strategy. We were shocked and saddened by the sudden death of David McCullough, The Abbeyfield Society CEO, but are determined to contribute to the realisation of his vision for the organisation. In closing I want to thank everyone, our residents, their families, our staff, our trustees, our volunteers and our supporters in the wider community for helping us to negotiate a difficult year successfully.

Dr Andrew Wells stepped down as Chair following the year end and John Robson was elected to the position of Chair of the Board of Trustees.

.....
Mr J W Robson
Chair

Date:

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the audited financial statements of the company for the year 1 April 2020 to 31 March 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The principal purpose of the Society is:

The relief and care of elderly persons suffering from the disabilities of old age or otherwise being in need, including by the provision and management of housing and/or residential care homes and/or hostels.

In the furtherance of these objects, but not otherwise, the Society may:

- (a) provide and maintain or assist in providing and maintaining housing and/or residential care homes and/or hostels for such elderly persons; and
- (b) provide or assist in providing care, support, amenities or services for the benefit of such elderly persons.

The Society operates a residential care home for 23 elderly people, one supported living unit and a retirement living complex, Cove Orchard, on its site in Silverdale, north Lancashire. This forms the basis of the Society's primary activities, which are to provide care and support to older people. The Abbeyfield Silverdale Society is a member of the Abbeyfield movement, whose purposes have been regarded as being for the public benefit for over 50 years. By providing accommodation and services the Society meets the needs of older people for accommodation and other services suited to their needs. These services are open to all older people in need regardless of their mental or physical frailty. These include, but are not limited to, people suffering from dementia, Parkinson's as well as those being supported at the end of their life.

Through the provision of its services, the Society aims also to combat the loneliness and social isolation that is often associated with old age and improve the physical, mental and social wellbeing of residents through the provision of appropriate and inclusive activities, often carried out by volunteers.

The Society serves the local community but does not apply any form of restriction, geographical or otherwise to members of the public who would seek to make use of its services. The Society's residential care operations are regulated by the Care Quality Commission, which has rated its services as 'Good' for several years.

The services offered by the Trustees of the Society are deemed to be beneficial by their nature and are available to a large section of the public. In common with many charitable care homes, the Society charges for its services in order to provide sustainable, high-quality care for older people. The charges are in a broad range and considered affordable in the market. Beneficiaries need to be able to afford their accommodation and service costs either from their own means or from funders such as local authorities. The number of local authority funded residents varies from time to time and no limit is placed on the number accepted by the Society. Different styles of accommodation are offered at different rates in order to promote maximum inclusivity and access to the Society's services. In addition, some services provided by the Society are subsidised to ensure that they are widely affordable, for example when meals are provided to the residents of Cove Orchard this is done so at cost price and assistance equipment supplied free of charge.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

b. Main activities undertaken to further the company's purposes for the public benefit

The Trustees have considered the guidance issued by the Charity Commission in respect of public benefit and confirm through their activities and objectives that they adhere to this guidance.

The views and opinions of our residents and their families are regularly sought about the activities that the Society undertakes. A record of these consultations are available for inspection.

Achievements and performance

a. Review of activities

The financial year ending in March 2021 has been entirely dominated by the COVID-19 worldwide pandemic. Whilst the Society was less adversely affected than other adult social care providers, it has undoubtedly been the most challenging year in the history of the Society. There have been significant impacts on both operational and governance arrangements resulting from government regulation required to combat the effects of COVID-19.

Cove House experienced an outbreak of COVID-19 in April 2020 and sadly lost two residents to the virus, with a third recorded as unconfirmed. A large proportion of the Society's staff were also infected, which resulted in significant operational disruption for a short period of time but no fatalities. CQC have completed their own review of deaths in care homes throughout England and Wales and the published results can be seen on their website.

The overall occupancy level for the year was just under 90%, which, in the circumstances of the pandemic, the trustees are satisfied with and feel that its duties have been discharged in meeting the needs of older people in the area and maintaining a safe environment for residents and staff at Cove House during the pandemic. However, some services had to be suspended, including day care and respite care.

Prior to the onset of the pandemic, the Society had begun a review of its strategy focussing on two key goals, namely the provision of the highest quality service and financial stability through the growth and diversification of services. Progress on rolling out the strategy was suspended completely during the financial year in question and work on implementation of the strategy has only tentatively begun in the post year end period. The board of trustees remains ambitious to achieve an outstanding rating from CQC as well as develop its site in Silverdale to facilitate diversification of services to older people. The working group that had been formed to consider the Cove House Improvement Plan has been able to meet remotely and to make some progress in this area.

Clearly the pandemic has had an unprecedented impact on the residents of both Cove House and Cove Orchard. Residents were unable to have visitors in person and day to day activities for the Cove House residents have been severely impacted. The pandemic meant that the regular programme of activities involving external entertainers as well as outings to local places of interest was suspended. Staff have carried out many in house activities which have ensured that residents have been able to retain some sense of normality and social interaction within the Cove House bubble. The Society has always placed great emphasis on residents maintaining contact with family and friends and to that end facilitated video calls in addition to residents using their own telephone. In December 2020, the Society purchased a visiting pod to further enhance safe visiting arrangements and this has continued to be used extensively.

The residents of Cove Orchard have been supported as far as possible within the pandemic regulations. This year has seen three properties change hands and, whilst the Society does not provide direct personal care, the aging nature of the residents has meant that the Society's staff continue to become more involved in the lives of the Cove Orchard residents. The Society is proud to be one of the few organisations in this region to have developed housing specially designed for older people to enable them to successfully live independently into older age, with many of the Cove Orchard residents now in their nineties.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

The pandemic has brought together the local Abbeyfield societies to provide mutual support and direct assistance to each other where necessary. The chairs of each society have met regularly on a virtual platform to discuss the effect of the pandemic facing each society and to develop a common approach to the key issues. During the year 2020-2021, the Society has continued with its close working relationship with the sister Abbeyfield society, the Lakeland (Extra Care) Society, although the paid secondment of the Chief Executive Officer finished at the end of December 2020. In addition, the board agreed to enter into a Memorandum of Understanding with three other local societies; the group, including Abbeyfield Silverdale Society, is made up of the Abbeyfield Barrow in Furness Society, the Furness Extra Care Society and the Abbeyfield Lakeland Extra Care Society and has chosen to call itself the Morecambe Bay Group.

b. Fundraising activities and income generation

The Charities Act 2011 requires charities to make a statement regarding fundraising activities. The COVID-19 pandemic has meant that all fundraising activities have been suspended until Government regulations are lifted. Where fundraising is carried out, any amounts raised are presented in the accounts as voluntary income and includes legacies and grants. No fundraising was carried out during the financial year due entirely to the COVID-19 pandemic restrictions.

c. Investment policy and performance

The Society does not currently hold an investment portfolio in stocks, shares or other investment vehicle.

Financial review

a. Going concern

The purpose of the Society's reserves is to provide sufficient protection for the Society against changing financial circumstances and to support future business development initiatives to enable the Society to continue to fulfil its principal purpose. The level of general reserves as reflected in Note 16 to the financial statements is represented by tangible assets and net current assets and is considered sufficient for the Society to meet its short to medium term expenditure obligations. The Society's cash reserves significantly outweigh its short term and long term liabilities.

The Trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. Reserves policy

The Society's reserves are made up of both cash reserves and physical assets and the Trustees have structured the reserves into designated funds in order to meet the needs of both its strategic plans and its operational activities. The main physical asset of the Society is Cove House for which the Maintenance Fund is designated to cover ongoing repairs and renovations to the house to ensure it meets the needs of the residents. The remaining funds are structured to support the Society's strategic objectives and its obligations under the Cove Orchard lease.

The Society's free reserves are made up of the nominal balance sheet value of its main physical assets, including Cove House plus the value of three months operating costs. The operating costs are based on the cost per day of providing residential care services.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

c. Financial review

The financial year 2020-21 has proved financially challenging and the year end surplus is largely the result of government grants provided to support additional costs incurred by front line services during the pandemic.

The main income source for the Society comes from its residential fees and the Trustees are always mindful of the cost of residential care and the impact of fee increases. In 2020-21, the fees remained in line with other providers in the area.

During the year, government grant income totalled £52,183. There was a requirement to provide regular returns to Lancashire County Council to confirm that the Society expended the grant money in line with the terms on which it had been given. The Infection Control Fund grant provided additional financial resource to support the cost of the visiting pod, additional infection control materials and equipment as well as ensuring that staff are able to isolate on full pay. Although the Society achieved an overall surplus of £34,015, after excluding the value of the grant income of £52,183, the Society went into a deficit of £18,168. The reduction in income and the increase in costs is due entirely to the circumstances of the pandemic. New admissions were severely curtailed as families were anxious about the circumstances facing residential care homes and many chose to 'hang on' until the situation improved. Day care and respite services have been suspended for the entirety of the financial year and unlikely to begin again until late 2021. The Society has also faced significant additional staffing costs as a result of COVID-19, with the staff sickness rate rising to 5% from a year on year average of just 2%. However the Society remains committed to paying its staff the real living wage and being recognised as a Living Wage Foundation employer.

The Society however was able to continue investing in the fabric of its buildings and grounds and to address legacy maintenance issues. The Society carried out a complete renovation of the residents' lounge at a capital cost of £96,000 and carried out work in Orchard House to create additional office space at a cost of £22,000. Otherwise only essential maintenance was carried out to Cove House during the year.

The Society's financial resources consist mainly of cash reserves and bank deposits, which are sufficient to meet its day to day requirements. The Statement of Cashflows on page 18 of the financial statements details the movement in cash during the financial year. Towards the end of the financial year, the Trustees agreed to engage Cascade Cash Management to manage the transfer of £1.02 million of the Society's cash reserves into deposit holdings of £85,000 in order to ensure the funds are protected under the Financial Services Compensation Scheme. In terms of risk evaluation, the Trustees felt that the financial protection of the Society's reserves was a higher priority than financial return through higher interest rates.

d. COVID-19 pandemic

Throughout the 2020-21 financial year the Society has had to manage the impact of COVID-19. This is reflected in the financial impact on the Society of lost income as a result of a significant drop in demand for residential care as well as the increased staff costs and the cost of additional infection prevention measures. Day care was suspended and is unlikely to resume until late 2021. Staff recruitment has not been significantly impacted with vacancies filled in relatively short time and whilst there has been a need to use agency staff, this has been limited.

There has been a significant impact on governance arrangements during the financial year 2020-21. All Trustee meetings, including the Society's AGM moved to a virtual platform and were conducted in accordance with the Charity Commission guidance on holding trustee meetings during the COVID-19 pandemic.

In all other matters, the Trustees are confident that the Society is able to continue its operations during the current phase of the COVID-19 pandemic.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

a. Constitution

The company is registered as a members' limited liability company number 10845391 and was set up by Memorandum of Association on 30 June 2017.

The Society is also registered with and regulated by the Charity Commission for England and Wales, registration number 1174376.

b. Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The composition of the Board, the method of appointment of Trustees and the retirement or removal of Trustees is covered in detail in clauses 19 and 20 of the Articles of Association of the Society.

c. Organisational structure and decision making policies

All operational decision making is delegated by the Board of Trustees to the Chief Executive Officer as head of staff. Financial delegation is documented in the Society's Financial Standing Orders.

The Board of Trustees currently meets ten times per annum and receives detailed financial and operational reports from the Chief Executive Officer and the Registered Care Manager, which enables the Trustees to discharge their statutory and governance duties.

d. Policies adopted for the induction and training of Trustees

All Trustees receive documents published by the Charity Commission relating to the role of a Trustee. In addition, Trustees are able to attend The Abbeyfield Society induction course for new Trustees. New Trustees spend time with the Chief Executive Officer and the Registered Care Manager in order to get a detailed understanding of the financial position and other operational issues affecting the Society. However throughout the COVID-19 pandemic this has not been possible and the new Trustee appointment was provided with Charity Commission documentation to support the initial induction phase.

e. Pay policy for key management personnel

The Remuneration committee, a sub-committee of the Board of Trustees, meets on an annual basis to consider the salaries of the Chief Executive Officer and the Registered Care Manager. The Remuneration committee makes a recommendation to the Board of Trustees for approval. The Remuneration committee is chaired by a Trustee other than the Chair of the Society.

f. Financial risk management

The Chief Executive Officer presents the Society's corporate risk register to the Trustees for consideration and review. The corporate risk register evaluates the major risks to which the Society is exposed, in particular those relating to finance, governance and operations and the Trustees are satisfied that there are systems and procedures in place to mitigate the Society's exposure to the most significant risks.

g. Trustees and Directors' indemnities

Trustees are indemnified by a Trustee indemnity insurance policy provided by The Abbeyfield Society as part of the membership agreement.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Plans for future periods

The COVID-19 pandemic has acted as a catalyst to bring together the four independent Abbeyfield societies in the Morecambe Bay area into a formal cooperative agreement to support governance and business operations. The impact of the pandemic on charitable organisations has been significant and there is a realisation amongst the Trustees of each of the parties in the Memorandum of Understanding (MOU) that closer working is necessary to build organisational and business resilience. The Morecambe Bay Group has been created with representation from each of the societies included in the MOU through the Chairs and one other nominated trustee. The Morecambe Bay Group is also supported by the CEO of Abbeyfield Silverdale Society. The Group is actively considering plans for future collaboration, which may include a formal merger in due course.

The Society's two principal strategic goals of a) to provide the highest quality of care, and b) to deliver financial stability remain in place.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Disclosure of information to auditors (continued)

Auditors

The auditors, Armstrong Watson Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....
Mrs C M Humphreys ACMA
Secretary

.....
Mr J W Robson
Chair

Date:

ABBEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBEYFIELD SILVERDALE SOCIETY

Opinion

We have audited the financial statements of Abbeyfield Silverdale Society (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure 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 Charities Act 2011.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustees' 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 charitable 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 Trustees with respect to going concern are described in the relevant sections of this report.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBNEYFIELD SILVERDALE SOCIETY
(CONTINUED)

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 Auditors' report thereon. Our opinion on the financial statements does not cover the other information and 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 material 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBNEYFIELD SILVERDALE SOCIETY
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Trustees and other management, and from our commercial knowledge and experience of the residential care home sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

ABBEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ABBEYFIELD SILVERDALE SOCIETY
(CONTINUED)

- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or 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 Auditors' report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 charitable company and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Armstrong Watson Audit Limited

Chartered Accountants and Statutory Auditors
Carlisle

Date:

Armstrong Watson Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:				
Donations and legacies	4	53,299	53,299	675,917
Charitable activities	5	924,872	924,872	977,366
Other trading activities	6	-	-	651
Investments	7	760	760	1,451
		<u>978,931</u>	<u>978,931</u>	<u>1,655,385</u>
Expenditure on:				
Charitable activities	8	944,916	944,916	931,961
		<u>944,916</u>	<u>944,916</u>	<u>931,961</u>
Total expenditure				
		<u>34,015</u>	<u>34,015</u>	<u>723,424</u>
Net movement in funds				
Reconciliation of funds:				
Total funds brought forward		2,011,527	2,011,527	1,288,103
Net movement in funds		34,015	34,015	723,424
		<u>2,045,542</u>	<u>2,045,542</u>	<u>2,011,527</u>
Total funds carried forward				

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 19 to 39 form part of these financial statements.

ABBNEYFIELD SILVERDALE SOCIETY**(A company limited by guarantee)****REGISTERED NUMBER: 10845391****BALANCE SHEET
AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	684,574	588,875
		<hr/>	<hr/>
		684,574	588,875
Current assets			
Debtors	14	26,696	116,300
Cash at bank and in hand		1,419,077	1,445,946
		<hr/>	<hr/>
		1,445,773	1,562,246
Creditors: amounts falling due within one year	15	(84,805)	(139,594)
		<hr/>	<hr/>
Net current assets		1,360,968	1,422,652
		<hr/>	<hr/>
Total assets less current liabilities		2,045,542	2,011,527
		<hr/>	<hr/>
Total net assets		2,045,542	2,011,527
		<hr/> <hr/>	<hr/> <hr/>

ABBNEYFIELD SILVERDALE SOCIETY

(A company limited by guarantee)

REGISTERED NUMBER: 10845391

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Charity funds			
Restricted funds	16	-	-
Unrestricted funds	16	2,045,542	2,011,527
Total funds		2,045,542	2,011,527

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
Mr J W Robson
Chair

.....
Dr A Wells
Trustee

Date:

The notes on pages 19 to 39 form part of these financial statements.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021	2020
	£	£
Cash flows from operating activities		
Net cash used in operating activities	116,134	757,999
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	760	1,451
Purchase of tangible fixed assets	(143,763)	(23,326)
	<hr/>	<hr/>
Net cash used in investing activities	(143,003)	(21,875)
	<hr/>	<hr/>
Cash flows from financing activities		
	<hr/>	<hr/>
Net cash provided by financing activities	-	-
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(26,869)	736,124
Cash and cash equivalents at the beginning of the year	1,445,946	709,822
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	1,419,077	1,445,946
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 19 to 39 form part of these financial statements

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. General information

Abbeyfield Silverdale Society is a charitable company without share capital, incorporated in England and Wales. The registered office is Cove House, Cove Road, Silverdale, Carnforth, Lancashire, LA5 0SG and the company number is 10845391.

The Charity's principal business activity is the provision of residential care to the elderly.

The presentational and functional currency of the financial statements is Pound Sterling.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Companies Act 2006.

Abbeyfield Silverdale Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2.3 Going concern

The Trustees have indicated that they believe that the charity is a going concern. When making this assessment, the Trustees have considered the financial impact the COVID-19 pandemic will have on the charity for a period beyond 12 months from the date of signing the financial statements. Net assets at the balance sheet date were £2,046k and cash reserves were £1,419k, and the charity entered the pandemic in surplus.

The Trustees believe the level of liquid reserves held by the charity are sufficient to allow the charity to meet its liabilities as they fall due and so consider the charity a going concern.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.4 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the company, can be reliably measured.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives,

Depreciation is provided on the following bases:

Freehold property	- 1-2% straight line
Care equipment	- 10-33% straight line
Fixtures and fittings	- 10-33% straight line
Office equipment	- 10-33% straight line

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.12 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.14 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

a) Establishing useful economic lives

Establishing useful economic lives for depreciation purposes of property, plant and equipment comprise a significant portion of the total fixed assets. The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review these assets useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation charges for the period. Details of the depreciation policies based on estimated useful economic lives are included in accounting policies note 2.8.

b) Providing for doubtful debts

The company makes an estimate of the recoverable value of trade and other debtors. The company uses estimates based on historical experience in determining the level of debts, which the company believes, will not be collected. These estimates include such factors as the credit rating of the debtor, the ageing profile of debtors and historical experience. Any significant change in the level of customers that default on payments or other significant improvements that resulted in a change in the level of bad debt provision would have an impact on the operating results. The level of provision required is reviewed on an on-going basis.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

4. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £
Legacies	1,116	1,116
Grants	52,183	52,183
Total 2021	53,299	53,299

Sums recovered through the Coronavirus Job Retention Scheme are included within grants.

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Legacies	675,917	675,917

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £
Provision of residential care at Cove House	886,042	886,042
Independent living at Cove Orchard	38,830	38,830
Total 2021	924,872	924,872

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Provision of residential care at Cove House	929,871	929,871
Independent living at Cove Orchard	47,495	47,495
<i>Total 2020</i>	<i>977,366</i>	<i>977,366</i>

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

6. Income from other trading activities

Income from fundraising events

	<i>Unrestricted funds 2020 £</i>	Total funds 2021 £
Fundraising	651	651
	651	651

7. Investment income

Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Investment income	760	760
	760	760

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Investment income	1,451	1,451
	1,451	1,451

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Total funds 2021 £
Provision of residential care at Cove House	893,376	893,376
Independent living at Cove Orchard	51,540	51,540
Total 2021	<u>944,916</u>	<u>944,916</u>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Provision of residential care at Cove House	899,852	899,852
Independent living at Cove Orchard	32,109	32,109
<i>Total 2020</i>	<u>931,961</u>	<u>931,961</u>

Summary by expenditure type

	Staff costs 2021 £	Depreciation 2021 £	Other costs 2021 £	Total funds 2021 £
Provision of residential care at Cove House	593,825	43,283	256,268	893,376
Independent living at Cove Orchard	18,117	4,782	28,641	51,540
	<u>611,942</u>	<u>48,065</u>	<u>284,909</u>	<u>944,916</u>

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

8. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type (continued)

	<i>Staff costs</i> 2020 £	<i>Depreciation</i> 2020 £	<i>Other costs</i> 2020 £	<i>Total funds</i> 2020 £
Provision of residential care at Cove House	568,827	43,311	287,714	899,853
Independent living at Cove Orchard	10,783	4,782	16,544	32,109
	<u>579,610</u>	<u>48,093</u>	<u>304,258</u>	<u>931,961</u>

9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Provision of residential care at Cove House	764,859	128,517	893,376
Independent living at Cove Orchard	41,426	10,114	51,540
	<u>806,285</u>	<u>138,631</u>	<u>944,916</u>

	<i>Activities undertaken directly</i> 2020 £	<i>Support costs</i> 2020 £	<i>Total funds</i> 2020 £
Provision of residential care at Cove House	780,922	118,930	899,852
Independent living at Cove Orchard	22,093	10,016	32,109
	<u>803,015</u>	<u>128,946</u>	<u>931,961</u>

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Provision of residential care at Cove House 2021 £	Independ't living at Cove Orchard 2021 £	Total funds 2021 £
Staff costs	498,261	10,783	509,044
Depreciation	43,283	4,782	48,065
Staff training	2,905	-	2,905
Hotels, travel and subsistence	276	-	276
Printing and stationery	2,435	1,050	3,485
Telephone and fax	6,882	360	7,242
Advertising and promotion	5,206	-	5,206
Legal and professional, regulation costs (incl. DBS)	15,620	-	15,620
Equipment hire	535	-	535
Bank charges	1,012	-	1,012
Rates and water	7,186	4,306	11,492
Light and heat	33,775	2,010	35,785
Cleaning	7,911	1,278	9,189
Repairs and maintenance	78,430	16,857	95,287
Residents' comforts & welfare	1,530	-	1,530
Food costs	48,325	-	48,325
Sundry expenses	11,287	-	11,287
Total 2021	764,859	41,426	806,285

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Provision of residential care at Cove House 2020 £</i>	<i>Independent living at Cove Orchard 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	489,495	3,907	493,402
Depreciation	43,311	4,782	48,093
Staff training	3,239	-	3,239
Hotels, travel and subsistence	2,775	-	2,775
Printing and stationery	3,328	1,050	4,378
Telephone and fax	3,035	370	3,405
Advertising and promotion	7,688	-	7,688
Legal and professional, regulation costs (incl. DBS)	15,647	-	15,647
Equipment hire	562	-	562
Bank charges	1,335	-	1,335
Rates and water	9,141	921	10,062
Light and heat	28,836	1,598	30,434
Cleaning	8,702	1,268	9,970
Repairs and maintenance	99,056	6,875	105,931
Residents' comforts & welfare	4,046	-	4,046
Food costs	51,508	-	51,508
Sundry expenses	3,887	1,322	5,209
Loss on disposal of fixed assets	5,331	-	5,331
<i>Total 2020</i>	<u><u>780,922</u></u>	<u><u>22,093</u></u>	<u><u>803,015</u></u>

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Provision of residential care at Cove House 2021 £	Independ't living at Cove Orchard 2021 £	Total funds 2021 £
Staff costs	95,564	7,334	102,898
Computer costs	18,319	-	18,319
Legal and professional, regulation costs (incl. DBS)	2,639	-	2,639
Auditors' remuneration	5,250	900	6,150
Insurance	6,258	1,880	8,138
Sundry expenses	487	-	487
Total 2021	128,517	10,114	138,631

	<i>Provision of residential care at Cove House 2020 £</i>	<i>Independent living at Cove Orchard 2020 £</i>	<i>Total funds 2020 £</i>
Wages and salaries	79,332	6,876	86,208
Telephone and fax	360	360	720
Computer costs	17,718	-	17,718
Legal and professional, regulation costs (incl. DBS)	11,008	-	11,008
Auditors' remuneration	5,100	900	6,000
Insurance	5,212	1,880	7,092
Sundry expenses	200	-	200
<i>Total 2020</i>	<i>118,930</i>	<i>10,016</i>	<i>128,946</i>

10. Auditors' remuneration

	2021 £	2020 £
Fees payable to the company's auditor for the audit of the company's annual accounts	4,150	4,500
Fees payable to the company's auditor in respect of: All assurance services not included above	1,050	1,000

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

11. Staff costs

	2021 £	2020 £
Wages and salaries	564,487	538,490
Social security costs	38,518	32,848
Contribution to defined contribution pension schemes	8,937	8,272
	611,942	579,610
	611,942	579,610

Included within the value of total staff costs are agency costs in respect of the catering function and dedicated care agency personnel.

The average number of persons employed by the company during the year was as follows:

	2021 No.	2020 No.
Management and administration	5	5
Catering and housekeeping	4	2
Care staff	18	19
	27	26
	27	26

The average headcount expressed as full-time equivalents was 20.

	2021 No.	2020 No.
Management and administration	5	5
Catering and housekeeping	2	2
Care staff	13	13
	20	20
	20	20

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel comprise the senior managers of the Society. Their aggregate remuneration was £110,771 (2020 - £101,436).

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, expenses totaling £NIL were reimbursed or paid directly to the Trustees (2020 - £96 to one Trustee).

13. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 April 2020	729,202	86,674	29,546	76,360	921,782
Additions	128,885	-	13,872	1,006	143,763
At 31 March 2021	<u>858,087</u>	<u>86,674</u>	<u>43,418</u>	<u>77,366</u>	<u>1,065,545</u>
Depreciation					
At 1 April 2020	204,976	73,340	19,855	34,736	332,907
Charge for the year	32,885	3,568	3,585	8,027	48,065
At 31 March 2021	<u>237,861</u>	<u>76,908</u>	<u>23,440</u>	<u>42,763</u>	<u>380,972</u>
Net book value					
At 31 March 2021	<u><u>620,226</u></u>	<u><u>9,766</u></u>	<u><u>19,978</u></u>	<u><u>34,603</u></u>	<u><u>684,573</u></u>
At 31 March 2020	<u><u>524,226</u></u>	<u><u>13,334</u></u>	<u><u>9,691</u></u>	<u><u>41,624</u></u>	<u><u>588,875</u></u>

The cost of land and buildings is stated net of the Social Enterprise Investment Fund grant received in January 2012. The value of this grant was £149,961 and was spent entirely on improvements to residential accommodation at Cove House.

The Trustees are aware that the value of the freehold property is in excess of the cost included within the financial statements however have decided not to adopt a policy of revaluation of its properties.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

14. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	219	96,722
Other debtors	12,974	4,355
Prepayments and accrued income	13,503	15,223
	26,696	116,300

Due to a change in the billing method of residents, a significant variance has arisen within trade debtors. The effect of this timing difference has been to decrease trade debtors by £96,503.

15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	12,437	16,850
Other taxation and social security	10,355	15,496
Pension fund creditor	3,145	2,356
Other creditors	11,019	-
Accruals and deferred income	47,849	104,892
	84,805	139,594
	2021 £	2020 £
Deferred income at 1 April 2020	65,861	6,496
Resources deferred during the year	6,499	65,861
Amounts released from previous periods	(65,861)	(6,496)
	6,499	65,861

Due to a change in the billing method of residents, a significant variance has arisen within deferred income. The effect of this change in billing method has decreased deferred income by £59,362.

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Unrestricted funds					
Designated funds					
Residents' Funds	-	-	(543)	543	-
Cove Orchard Sinking Fund	16,325	5,813	(3,714)	-	18,424
Future Projects Fund	1,204,390	-	-	(184,390)	1,020,000
Maintenance Fund	150,000	-	(131,049)	81,049	100,000
	<u>1,370,715</u>	<u>5,813</u>	<u>(135,306)</u>	<u>(102,798)</u>	<u>1,138,424</u>
General funds					
General Funds - all funds	<u>640,812</u>	<u>973,118</u>	<u>(809,610)</u>	<u>102,798</u>	<u>907,118</u>
Total Unrestricted funds	<u><u>2,011,527</u></u>	<u><u>978,931</u></u>	<u><u>(944,916)</u></u>	<u><u>-</u></u>	<u><u>2,045,542</u></u>

ABBNEYFIELD SILVERDALE SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 31 March 2020</i>
	£	£	£	£	£
Unrestricted funds					
Designated funds					
Residents' Funds	558	811	(3,508)	2,139	-
Cove Orchard Sinking Fund	9,387	6,938	-	-	16,325
Future Projects Fund	500,000	-	-	704,390	1,204,390
Maintenance Fund	126,792	-	(112,121)	135,329	150,000
	<u>636,737</u>	<u>7,749</u>	<u>(115,629)</u>	<u>841,858</u>	<u>1,370,715</u>
General funds					
General Fund	651,366	1,647,636	(816,332)	(841,858)	640,812
Total Unrestricted funds	<u>1,288,103</u>	<u>1,655,385</u>	<u>(931,961)</u>	<u>-</u>	<u>2,011,527</u>

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2019	Income	Expenditure	Transfers in/out	Balance at 31 March 2021
	£	£	£	£	£
Designated funds	1,370,715	5,813	(135,306)	(102,798)	1,138,424
General funds	640,812	973,118	(809,610)	102,798	907,118
	<u>2,011,527</u>	<u>978,931</u>	<u>(944,916)</u>	<u>-</u>	<u>2,045,542</u>

ABBNEYFIELD SILVERDALE SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

17. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 April 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2020 £</i>
Designated funds	636,737	7,749	(115,629)	841,858	1,370,715
General funds	651,366	1,647,636	(816,332)	(841,858)	640,812
	<u>1,288,103</u>	<u>1,655,385</u>	<u>(931,961)</u>	<u>-</u>	<u>2,011,527</u>

Unrestricted funds

General funds are the 'free reserves' after allowing for all designated funds.

Designated funds

Residents' fund receives income from fundraising events and makes expenditure on activities for the direct benefit of the residents of Cove House.

Cove Orchard sinking fund - The purpose of this fund is to build up a reserve to cover significant expenditure relating to the external fabric of the Cove Orchard properties. Income is collected from every resident on an annual basis through the estate service charge as laid out in the lease agreement.

The Future Projects fund designates reserves identified for the development of services to be provided in the future by the Society, in accordance with its objects and purposes. These funds may be used to support capital or revenue investment in line with the strategic plan developed by the Society's Trustees and officers.

The Maintenance Fund has been designated by the Society's Trustees to address some of the legacy maintenance issues associated with the upkeep of Cove House residential care home.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	684,574	684,574
Current assets	1,445,773	1,445,773
Creditors due within one year	(84,805)	(84,805)
Total	2,045,542	2,045,542

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	588,875	588,875
Current assets	1,562,246	1,562,246
Creditors due within one year	(139,594)	(139,594)
Total	2,011,527	2,011,527

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	34,015	723,424
Adjustments for:		
Depreciation charges	48,065	48,093
Dividends, interests and rents from investments	(760)	(1,451)
Loss on the sale of fixed assets	-	5,332
Decrease/(increase) in debtors	89,603	(71,159)
Increase/(decrease) in creditors	(54,789)	53,760
Net cash provided by operating activities	116,134	757,999

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20. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	1,419,077	1,445,946
Total cash and cash equivalents	1,419,077	1,445,946

21. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	1,445,946	(26,869)	1,419,077
Debt due within 1 year	(2,356)	(789)	(3,145)
	<u>1,443,590</u>	<u>(27,658)</u>	<u>1,415,932</u>

22. Contingent liabilities

A grant received from The Abbeyfield Society Limited in 2016 amounting to £17,000 may require repayment in part or in full if conditions set out in the grant agreement are not met.

23. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £8,937 (2020 - £8,272). Contributions totaling £3,145 (2020 - £2,356) were payable to the fund at the balance sheet date and are included in creditors.

24. Operating lease commitments

At 31 March 2021 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	-	2,783

25. Related party transactions

Dr June Greenwell and her husband are residents of Cove Orchard and pay the standard service fee to the Society.

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NOTES TO THE FINANCIAL STATEMENTS
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26. Controlling party

The ultimate controlling party for all the financial affairs of the Society, as laid out in the Society's Articles of Association is the Executive Committee of the Board of Trustees.