

**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**

<b>Trustees and Directors</b>	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)
<b>Company registered number</b>	10845391
<b>Charity registered number</b>	1174376
<b>Registered office</b>	Cove House Cove Road Silverdale Carnforth Lancashire LA5 0SG
<b>Company Secretary</b>	Catherine Humphreys ACMA
<b>Chief Executive Officer</b>	Catherine Humphreys ACMA
<b>Independent auditors</b>	Armstrong Watson Audit Limited Chartered Accountants and Statutory Auditors Fairview House Victoria Place Carlisle Cumbria CA1 1HP
<b>Solicitors</b>	Progression Solicitors 11 Queen Street Ulverston Lancashire LA12 7AF

**ABBNEYFIELD SILVERDALE SOCIETY**  
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**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

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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**  
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**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**  
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**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**  
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**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**  
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**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**  
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**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**  
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**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**  
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**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.

**ABBEYFIELD SILVERDALE SOCIETY**  
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**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.

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;

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**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](http://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**  
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**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 £
<b>Income from:</b>				
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
<b>Total income</b>		<b>962,118</b>	<b>962,118</b>	<b>978,931</b>
<b>Expenditure on:</b>				
Charitable activities	7	956,005	956,005	944,916
<b>Total expenditure</b>		<b>956,005</b>	<b>956,005</b>	<b>944,916</b>
<b>Net movement in funds</b>		<b>6,113</b>	<b>6,113</b>	<b>34,015</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		2,045,542	2,045,542	2,011,527
Net movement in funds		6,113	6,113	34,015
<b>Total funds carried forward</b>		<b>2,051,655</b>	<b>2,051,655</b>	<b>2,045,542</b>

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**

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



**ABBNEYFIELD SILVERDALE SOCIETY**

**(A company limited by guarantee)**

**REGISTERED NUMBER: 10845391**

**BALANCE SHEET (CONTINUED)**

**AS AT 31 MARCH 2022**

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

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**

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

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**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Legacies	3,571	<b>3,571</b>
Grants	42,833	<b>42,833</b>
<b>Total 2022</b>	<u>46,404</u>	<u><b>46,404</b></u>

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>	<u>53,299</u>	<u>53,299</u>

**5. Income from charitable activities**

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

	<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>	<u>924,872</u>	<u>924,872</u>



**ABBNEYFIELD SILVERDALE SOCIETY**  
(A company limited by guarantee)

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

**6. Investment income**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Investment income	3,602	<b>3,602</b>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Investment income	760	760

**7. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Provision of residential care at Cove House	904,584	<b>904,584</b>
Independent living at Cove Orchard	51,421	<b>51,421</b>
<b>Total 2022</b>	<b>956,005</b>	<b>956,005</b>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</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**  
(A company limited by guarantee)

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

**7. Analysis of expenditure on charitable activities (continued)**

**Summary by expenditure type**

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

	<b>Activities undertaken directly 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>
Provision of residential care at Cove House	765,555	139,030	<b>904,585</b>
Independent living at Cove Orchard	35,364	16,057	<b>51,421</b>
	<u>800,919</u>	<u>155,087</u>	<u><b>956,005</b></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**

	<b>Provision of residential care at Cove House 2022 £</b>	<b>Independ't living at Cove Orchard 2022 £</b>	<b>Total funds 2022 £</b>
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
<b>Total 2022</b>	<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
<b>Total 2021</b>	<b>764,859</b>	<b>41,426</b>	<b>806,285</b>

**Analysis of support costs**

	<b>Provision of residential care at Cove House 2022 £</b>	<b>Independ't living at Cove Orchard 2022 £</b>	<b>Total funds 2022 £</b>
Staff costs	92,326	12,327	<b>104,653</b>
Computer costs	15,688	-	<b>15,688</b>
Legal and professional, regulation costs (incl. DBS)	14,501	340	<b>14,841</b>
Auditors' remuneration	7,890	1,700	<b>9,590</b>
Insurance	8,624	1,690	<b>10,314</b>
<b>Total 2022</b>	<b>139,029</b>	<b>16,057</b>	<b>155,086</b>

**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**

	<b>2022 £</b>	<b>2021 £</b>
Fees payable to the company's auditor for the audit of the company's annual accounts	<b>8,000</b>	4,150
Fees payable to the company's auditor in respect of: All assurance services not included above	<u><b>1,500</b></u>	<u>1,050</u>

**10. Staff costs**

	<b>2022 £</b>	<b>2021 £</b>
Wages and salaries	<b>547,224</b>	564,487
Social security costs	<b>33,799</b>	38,518
Contribution to defined contribution pension schemes	<b>8,953</b>	8,937
	<u><b>589,976</b></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**  
(A company limited by guarantee)

**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:

	<b>2022</b>	<i>2021</i>
	<b>No.</b>	<i>No.</i>
Management and administration	<b>5</b>	<i>5</i>
Catering and housekeeping	<b>4</b>	<i>4</i>
Care staff	<b>20</b>	<i>18</i>
	<hr/> <b>29</b> <hr/>	<hr/> <i>27</i> <hr/>

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

	<b>2022</b>	<i>2021</i>
	<b>No.</b>	<i>No.</i>
Management and administration	<b>4</b>	<i>5</i>
Catering and housekeeping	<b>3</b>	<i>2</i>
Care staff	<b>12</b>	<i>13</i>
	<hr/> <b>19</b> <hr/>	<hr/> <i>20</i> <hr/>

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**  
(A company limited by guarantee)

**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 £
<b>Cost or valuation</b>					
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>
<b>Depreciation</b>					
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>
<b>Net book value</b>					
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**

	<b>Property under construction £</b>
<b>Valuation</b>	
Additions	<b>9,923</b>
At 31 March 2022	<b>9,923</b>

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**

	<b>2022 £</b>	<b>2021 £</b>
<b>Due within one year</b>		
Trade debtors	<b>18,044</b>	219
Other debtors	<b>17,675</b>	12,974
Prepayments and accrued income	<b>31,014</b>	13,503
	<b>66,733</b>	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.



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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>13,278</b>	<b>12,437</b>
Other taxation and social security	<b>11,601</b>	<b>10,355</b>
Other creditors	<b>17,262</b>	<b>14,164</b>
Accruals and deferred income	<b>55,304</b>	<b>47,849</b>
	<b>97,445</b>	<b>84,805</b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Deferred income at 1 April 2021	<b>6,499</b>	<b>65,861</b>
Resources deferred during the year	<b>8,156</b>	<b>6,499</b>
Amounts released from previous periods	<b>(6,499)</b>	<b>(65,861)</b>
	<b>8,156</b>	<b>6,499</b>

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**16. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
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>
<b>General funds</b>					
General Fund	<u>907,118</u>	<u>955,180</u>	<u>(786,883)</u>	<u>(151,620)</u>	<u>923,795</u>
<b>Total Unrestricted funds</b>	<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>

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**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>
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
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>
<b>General funds</b>					
General Funds - all funds	<u>640,812</u>	<u>973,118</u>	<u>(809,610)</u>	<u>102,798</u>	<u>907,118</u>
<b>Total Unrestricted funds</b>	<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**

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2022 £</i>
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>

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**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.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Tangible fixed assets	828,721	<b>828,721</b>
Assets under Construction	9,923	<b>9,923</b>
Current assets	1,296,896	<b>1,296,896</b>
Creditors due within one year	(83,885)	<b>(83,885)</b>
<b>Total</b>	<u><u>2,051,655</u></u>	<u><u>2,051,655</u></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)
<b>Total</b>	<u><u>2,045,542</u></u>	<u><u>2,045,542</u></u>

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

	<b>2022 £</b>	<b>2021 £</b>
Net income for the year (as per Statement of Financial Activities)	<u><b>6,113</b></u>	<u>34,015</u>
<b>Adjustments for:</b>		
Depreciation charges	<b>54,788</b>	48,065
Dividends, interests and rents from investments	<b>(3,602)</b>	(760)
Decrease/(increase) in debtors	<b>(26,477)</b>	89,603
Decrease in creditors	<b>(920)</b>	(54,789)
<b>Net cash provided by operating activities</b>	<u><u><b>29,902</b></u></u>	<u><u>116,134</u></u>

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**20. Analysis of cash and cash equivalents**

	2022 £	2021 £
Cash in hand	1,243,724	1,419,077
<b>Total cash and cash equivalents</b>	<b>1,243,724</b>	<b>1,419,077</b>

**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
	<b>1,419,077</b>	<b>(175,353)</b>	<b>1,243,724</b>

**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.

