

ABBNEYFIELD NORTHALLERTON CIO
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

ABBNEYFIELD NORTHALLERTON CIO

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|-----------------------------|---|-----------------------------|
| Trustees | Mr J Turnbull Mr I Smithson Mr I Parminter Mrs P Fowler Watts MBE Mrs C Walters Mrs J Crampton | (Appointed 11 October 2022) |
| Charity number | 1175260 | |
| Company number | CE0011663 | |
| Address | Fir Lodge 82 South Parade Northallerton North Yorkshire DL7 8SJ | |
| Independent examiner | Hentons 24 Finkle Street Thirsk North Yorkshire YO7 1DA | |
| Bankers | Charities Aid Foundation Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4 JQ | |

ABBNEYFIELD NORTHALLERTON CIO

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ABBNEYFIELD NORTHALLERTON CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

Objectives and activities

The Trustees have had regard to the guidance issued by the Charity Commission on public benefit. The principle objects of the charity are to relieve persons of pensionable age who are in need by reason of their age, by the provision of communal living facilities in supported houses and by the provision of amenities and services to such persons and their families.

Firstly, I report that Dr Andrew Brererton resigned as a trustee in March 2023 and sadly passed away soon after. He was a much respected doctor in the wider community and as a long time trustee at Fir Lodge his commitment was absolute.

Following on from the challenges faced during the Covid years we had an 89% occupancy level but sadly during the year we lost 4 residents and gained 1 with the relatives of those we lost expressing their profound gratitude for our care in looking after their loved ones. This goes to show the very high level we aim to provide here at Fir Lodge.

Our costs increased over the year with the wages and food/provisions seeing the highest at approx. 11% each, whilst this is of concern it is due to outside influences beyond our control. We will continue to strive to keep those costs at a manageable level as best we can in the coming year.

The accounts show a slightly reduced surplus this year, but we still maintain healthy reserves of monies in an M&G Investment Fund and in the Skipton BS.

We had an in-depth Structural Survey done on the house to ensure its long term future and no major issues were found and as I said in last year's report maintenance is ongoing with essential improvements and upgrades wherever possible.

Our aim is the provision of comfortable accommodation, care and support for our residents and in doing so I thank all the Staff and Trustees in their efforts to achieve this.

Achievements and performance

Financial review

The Society achieved an occupancy level of 89.04% (2022 - 89.39%).

The results for the period are set out in the Statement of Financial Activities on page 5 and the surplus on ordinary activities of £16,105 will be transferred to accumulated reserves.

Cashflow will continue to be monitored carefully. Abbeyfield Northallerton CIO is governed by charity legislation under which a risk assessment has been made and the trustees have determined that liquid funds are required between six and nine months expenditure, bearing in mind the age of the property. Based upon expenditure for 2022/2023 the liquid reserves are between £102,000 and £153,000. At 31 March 2023 the liquid reserves were £280,197 (2022 - £257,657)

The Trustees monitor the financial position of the Charity at each committee meeting and also examine other operational and business risks. The Trustees are satisfied that systems are in place to mitigate the exposure to the major risks,

Structure, governance and management

The Charity is a Charitable Incorporated Organisation (Company number CE011663), having solely charitable objectives, and registered as a charity (number 1175260). Abbeyfield Northallerton CIO was registered with the Charity Commission on 20 October 2017.

The governing document is its constitution, agreed by the prospective trustees dated 18 October 2017.

ABBNEYFIELD NORTHALLERTON CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees who served during the year were as follows:

Mr J Turnbull

Mr I Smithson

Mr I Parminter

Mrs P Fowler Watts MBE

Mrs C Walters

Dr A Brereton

(Retired 28 March 2023)

Mrs J Crampton

(Appointed 11 October 2022)

New trustees are given adequate training in respect of their legal obligations under charity law, in particular in relation to the Charity Commission Guidance on Public Benefit, the charity constitution and the trustees decision making processes.

A Committee of trustees, who meet quarterly, administers the Charity. There is also a finance sub committee who meet as and when required in addition to the trustees meetings. There are currently ten employees appointed by the trustees.

Statement of trustees' responsibilities

The trustees 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees.

Mr J Turnbull

Chairperson

25 October 2023

ABBEYFIELD NORTHALLERTON CIO

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ABBEYFIELD NORTHALLERTON CIO

I report to the trustees on my examination of the financial statements of Abbeyfield Northallerton CIO (the charity) for the year ended 31 March 2023.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Hentons

24 Finkle Street
Thirsk
North Yorkshire
YO7 1DA

Dated: 25 October 2023

ABBNEYFIELD NORTHALLERTON CIO

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

| | Notes | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|---|----------|---------------------------------|---------------------------------|
| <u>Income and endowments from:</u> | | | |
| Donations and legacies | | 20 | 25 |
| Residents charges | | 225,755 | 218,294 |
| Investments | 2 | 8,898 | 5,614 |
| Insurance claim | | 500 | - |
| Sundry income | | - | 60 |
| Total income | | 235,173 | 223,993 |
| <u>Expenditure on:</u> | | | |
| Direct charitable costs | 3 | 212,189 | 193,913 |
| Net gains/(losses) on investments | 8 | (6,879) | 9,167 |
| Net movement in funds | | 16,105 | 39,247 |
| Fund balances at 1 April 2022 | | 557,505 | 518,258 |
| Fund balances at 31 March 2023 | | 573,610 | 557,505 |

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

All income and expenditure derive from continuing activities.

ABBNEYFIELD NORTHALLERTON CIO

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

| | Notes | 2023 £ | £ | 2022 £ | £ |
|--|-------|----------------|----------------|----------------|----------------|
| Fixed assets | | | | | |
| Property, plant and equipment | 10 | | 164,056 | | 174,797 |
| Investments | 11 | | 126,111 | | 127,016 |
| | | | <u>290,167</u> | | <u>301,813</u> |
| Current assets | | | | | |
| Trade and other receivables | 13 | 9,308 | | 8,899 | |
| Cash at bank and in hand | | 280,197 | | 257,617 | |
| | | <u>289,505</u> | | <u>266,516</u> | |
| Current liabilities | 14 | (6,062) | | (10,824) | |
| Net current assets | | | <u>283,443</u> | | <u>255,692</u> |
| Total assets less current liabilities | | | <u>573,610</u> | | <u>557,505</u> |
| Income funds | | | | | |
| Unrestricted funds | | | <u>573,610</u> | | <u>557,505</u> |
| | | | <u>573,610</u> | | <u>557,505</u> |

The financial statements were approved by the Trustees on 25 October 2023

Mr J Turnbull
Chairperson

Mr I Smithson
Treasurer

ABBNEYFIELD NORTHALLERTON CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Abbeyfield Northallerton CIO is a Charitable Incorporated Organisation (Company number CE011663), having solely charitable objectives, and registered as a charity (number 1175260). Abbeyfield Northallerton CIO was registered on 20 October 2017. The registered address is Fir Lodge, 82 South Parade, Northallerton, North Yorkshire, DL7 8SJ..

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's constitution, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

As per paragraph 1.4 of the Housing SORP 2014, the Society has adopted the Charities SORP for its accounting periods from 20 October 2017.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Explanations regarding these funds are included in the notes to the financial statements

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

1.5 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 are allocated on the portion of the asset's use.

The society is not registered for VAT. Expenditure, where applicable, includes irrecoverable VAT.

ABBEYFIELD NORTHALLERTON CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

| | |
|-----------------------------|----------------------|
| Freehold land and buildings | 4% reducing balance |
| Plant and equipment | 15% reducing balance |

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

Housing land and properties are stated at cost. The cost of the properties is their purchase price together with incidental costs of acquisition.

1.7 Investments

Investments are included in the balance sheet at their fair value.

1.8 Cash and cash equivalents

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

1.9 Financial instruments

The charity 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.

1.10 Taxation

The charity is exempt from tax on its charitable activities.

1.11 Retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period in which they relate.

1.12 Debtors

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

1.13 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

ABBNEYFIELD NORTHALLERTON CIO

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

2 Investments

| | Unrestricted funds | Unrestricted funds |
|--------------------|--------------------|--------------------|
| | 2023 | 2022 |
| | £ | £ |
| Dividends received | 5,974 | 5,061 |
| Bank interest | 2,924 | 553 |
| | <u>8,898</u> | <u>5,614</u> |

3 Direct charitable costs

| | 2023 | 2022 |
|--|----------------|----------------|
| | £ | £ |
| Staff costs | 119,018 | 107,346 |
| Depreciation | 10,741 | 11,860 |
| Food and provisions | 19,033 | 16,587 |
| General and water rates | 4,229 | 4,244 |
| Insurance | 2,583 | 2,328 |
| Light and heat | 14,551 | 15,225 |
| Repairs, renewals and maintenance | 12,235 | 13,548 |
| Gardening and window cleaning | 2,070 | 1,791 |
| Cleaning, kitchen consumables, laundry and PPE | 2,292 | 2,290 |
| Lifeline | 2,100 | 2,018 |
| Printing, postage, stationery and computer costs | 1,221 | 1,109 |
| Advertising | 5,814 | 2,094 |
| Telephone | 2,799 | 2,866 |
| Affiliation fees | 4,039 | 4,039 |
| Social fund | 793 | 678 |
| Newspapers and television licence | 1,512 | 1,477 |
| Legal and professional fees | 3,892 | 1,192 |
| Other charitable expenditure | 1,033 | 963 |
| | <u>209,955</u> | <u>191,655</u> |
| Share of governance costs (see note 4) | 2,234 | 2,258 |
| | <u>212,189</u> | <u>193,913</u> |

ABBNEYFIELD NORTHALLERTON CIO

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

4 Support costs

| | Support costs £ | Governance costs £ | 2023 £ | 2022 £ |
|----------------------------------|--------------------|-----------------------|--------------|--------------|
| Accountancy/Independent examiner | - | 2,160 | 2,160 | 2,160 |
| Bank charges | - | 74 | 74 | 98 |
| | <u>-</u> | <u>2,234</u> | <u>2,234</u> | <u>2,258</u> |
| Analysed between | | | | |
| Charitable activities | - | 2,234 | 2,234 | 2,258 |
| | <u>-</u> | <u>2,234</u> | <u>2,234</u> | <u>2,258</u> |

Governance costs includes payments to the independent examiner of £2,160 (2022- £2,160) for the independent examination of the financial statements.

5 Net movement in funds

| | 2023 £ | 2022 £ |
|--|---------------|---------------|
| Net movement in funds is stated after charging/(crediting) | | |
| Depreciation of owned property, plant and equipment | 10,741 | 11,860 |
| | <u>10,741</u> | <u>11,860</u> |

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

During the year the amount received by trustees for expenses was £nil (2022 - £nil)

7 Employees

The average monthly number of employees during the year was:

| | 2023 Number | 2022 Number |
|--------------|----------------|----------------|
| Hostel staff | 9 | 9 |
| Management | 1 | 1 |
| Volunteers | 7 | 7 |
| | <u>17</u> | <u>17</u> |
| Total | 17 | 17 |
| | <u>17</u> | <u>17</u> |

ABBNEYFIELD NORTHALLERTON CIO

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

7 Employees **(Continued)**

| Employment costs | 2023 | 2022 |
|-------------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 117,132 | 105,703 |
| Social security costs | 920 | 811 |
| Other pension costs | 966 | 832 |
| | <u>119,018</u> | <u>107,346</u> |

There were no employees whose annual remuneration was more than £60,000.

8 Net gains/(losses) on investments

| | Unrestricted funds | Unrestricted funds |
|----------------------------|---------------------------|---------------------------|
| | 2023 | 2022 |
| | £ | £ |
| Revaluation of investments | <u>(6,879)</u> | <u>9,167</u> |

9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

10 Property, plant and equipment

| | Freehold land and buildings | Plant and equipment | Total |
|------------------------------------|------------------------------------|----------------------------|----------------|
| | £ | £ | £ |
| Cost | | | |
| At 1 April 2022 | <u>360,746</u> | <u>161,330</u> | <u>522,076</u> |
| At 31 March 2023 | <u>360,746</u> | <u>161,330</u> | <u>522,076</u> |
| Depreciation and impairment | | | |
| At 1 April 2022 | <u>220,029</u> | <u>127,250</u> | <u>347,279</u> |
| Depreciation charged in the year | <u>5,629</u> | <u>5,112</u> | <u>10,741</u> |
| At 31 March 2023 | <u>225,658</u> | <u>132,362</u> | <u>358,020</u> |
| Carrying amount | | | |
| At 31 March 2023 | <u>135,088</u> | <u>28,968</u> | <u>164,056</u> |
| At 31 March 2022 | <u>140,717</u> | <u>34,080</u> | <u>174,797</u> |

ABBNEYFIELD NORTHALLERTON CIO

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

11 Fixed asset investments

| | M & G Investments - The Equities Investment Fund for Charities £ |
|--------------------------|---|
| Cost or valuation | |
| At 1 April 2022 | 127,016 |
| Valuation changes | (6,878) |
| Dividends received | 5,973 |
| | <hr/> |
| At 31 March 2023 | 126,111 |
| | <hr/> |
| Carrying amount | |
| At 31 March 2023 | 126,111 |
| | <hr/> <hr/> |
| At 31 March 2022 | 127,016 |
| | <hr/> <hr/> |

12 Financial instruments

| | 2023 £ | 2022 £ |
|---|-------------------|-------------------|
| Carrying amount of financial assets | | |
| Instruments measured at fair value through profit or loss | 126,111 | 127,016 |
| | <hr/> <hr/> | <hr/> <hr/> |

13 Trade and other receivables

| | 2023 £ | 2022 £ |
|---|-------------------|-------------------|
| Amounts falling due within one year: | | |
| Prepayments and accrued income | 9,308 | 8,899 |
| | <hr/> <hr/> | <hr/> <hr/> |

14 Current liabilities

| | 2023 £ | 2022 £ |
|------------------------------------|-------------------|-------------------|
| Other taxation and social security | - | 2,855 |
| Other payables | 298 | 226 |
| Accruals and deferred income | 5,764 | 7,743 |
| | <hr/> <hr/> | <hr/> <hr/> |
| | 6,062 | 10,824 |
| | <hr/> <hr/> | <hr/> <hr/> |

ABBNEYFIELD NORTHALLERTON CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

15 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees.

The charge to profit or loss in respect of defined contribution schemes was £966 (2022 - £832)

16 Analysis of net assets between funds

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|--|---------------------------------|---------------------------------|
| Fund balances at 31 March 2023 are represented by: | | |
| Property, plant and equipment | 164,056 | 174,797 |
| Investments | 126,111 | 127,016 |
| Current assets/(liabilities) | 283,443 | 255,692 |
| | <u>573,610</u> | <u>557,505</u> |

17 Financial commitments, guarantees and contingent liabilities

The Abbeyfield Northallerton & District Society Limited received a capital grant from the Housing Corporation (subsequently transferred to Homes and Community Agency) amounting to £71,492 to assist in the financing of refurbishments. As part of the transfer of the funds to Abbeyfield Northallerton CIO this sum may be repayable together with interest at such rate as the Agency reasonably requires taking into account the provisions in the Capital Funding Guide. The sum is repayable upon a Relevant Event as defined in paragraph 7 of the Capital Funding Guide (version "Recovery of Capital Grant and Recycled Capital Grant Fund General Determination 2015"), or upon the disposal of the property howsoever effected, or the occurrence of a Change in Control in relation to Abbeyfield Northallerton CIO.

18 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).