

Company registration number: 15141319

Association registration number: 1206411

Abbeyfield (East Devon) Society Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the period from 15 September 2023 to 31 March 2024



Abbeyfield (East Devon) Society Limited

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Abbeyfield (East Devon) Society Limited

Reference and Administrative Details

Chairman	Kevin Budden
Trustees	David Lewis (appointed 27 November 2023) Christopher Knee (appointed 15 September 2023) Ian Foot (appointed 15 September 2023) Hilary Simon (appointed 15 September 2023) Graham Cumming (appointed 15 September 2023 and stood down as treasurer 1 February 2024) Dr Rosemary Harris (appointed 27 November 2023) Colin Weeks (appointed 27 November 2023 and treasurer from 1 February 2024) Kevin Budden (appointed 15 September 2023) Carolyn Cox (appointed 15 September 2023)
Homes England Number	H2776
Registered Charity Number	1206411
Company Registration Number	15141319
Registered Office	Marjorie Baker House Vicarage Street Colyton Devon EX24 6LJ
Auditor	Westcotts (SW) LLP Timberly South Street Axminster Devon EX13 5AD

Abbeyfield (East Devon) Society Limited

Trustees' Report

The Board members present their report and the financial statements for the year ended 31 March 2024.

Objectives and activities

Objects and aims

To provide sheltered housing with on-site support to enable older people from diverse backgrounds to continue to live independently for as long as possible.

To promote engagement and involvement with the local community of which Abbeyfield (Colyton, Honiton and Taunton) are an integral part.

To foster the positive aspect of communal life within the house – combating loneliness encouraging social contact and promoting the physical, social and emotional well-being of residents.

Report of Business and Results for the Year End March 2024

The financial results for the year are set out in the Statement of Comprehensive Income and the position at the end of the year is shown in the Balance Sheet. Thanks are due to our previous Treasurer, Graham Cumming, for his professional leadership in this area. We are committed to continually investing in our properties to ensure the highest standards are maintained and maintenance is carried out in a timely manner. With this in mind Colyton has finished the dining room extension and redecorated and renewed the furniture in the communal area to give us a wonderful space for residents activities but also to welcome members of the community to open events. Honiton has benefited by the addition of a new room in what was the office and that room was occupied in September. One room has had a new ensuite and another now has their own dedicated shower room. The outside of the building has been redecorated and the appearance greatly improved and this work continues.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Abbeyfield (East Devon) Society Limited

Trustees' Report

Achievements and performance

Another significant change in our structure occurred during the course of this year. After the merger of Colyton and Honiton Abbeyfield societies in April 2023 we started merger discussions with Taunton Abbeyfield and this was completed at the end of November, however funds are not due to be transferred in July 2024. The current board of trustees were joined by Colin, David and Rosemary from Taunton. After discussions on the management structure it was decided to employ a Finance Assistant and in January we were joined by Sasha who has settled into the role superbly.

On the 15th of September Abbeyfield East Devon changed from being an Independent and Provident Society to one registered as a charity with the charity commission. Although this proved challenging at times it should enable us to apply for grants etc that we weren't being recognised for. As part of this process we amended our Articles of Association by special resolution on 16th of June.

The society has been run efficiently and effectively during the year thanks to the hard work and loyalty of the staff teams and commitment, skills and experience of our Trustees and local supporters.

During the year 23-24 we have stayed fairly stable with resident numbers. We currently have one vacant unit at Honiton.

Staffing has been more stable this year but still remains challenging and I would like to acknowledge the overtime put in by senior staff to ensure our kitchen is always open and our high standards of cleaning have been maintained. Our staff continue to organise a range of activities and entertainments including films, quizzes, and pub evenings.

It is with great sadness that Tommy passed away this year. Tommy worked at Colyton for around 10 years and was loved by both residents and staff and will be greatly missed.

Having created our own professional website with the help of a local expert the board feels it is important to embrace social media and has discovered a hidden talent in Becky who works at Colyton who now has taken on a role of promoting all our houses on social media platforms.

Summary

When reflecting on the year 2023-24 the merger of East Devon and Taunton societies has provided the biggest change and one we hope goes towards protecting the future of both societies - together we are stronger. We are VERY grateful to everyone who contributes so cheerfully and tirelessly to making Marjorie Baker House and Stanhope House and Northfield Court very special places for those who live here, work here and volunteer. Thank you all so much.

Abbeyfield (East Devon) Society Limited

Trustees' Report

Abbeyfield (East Devon) Society - involvement in the wider Abbeyfield movement

The Chairman and CEO of the Society have been active this year in meetings organised for Abbeyfield houses within the south west. The public perception of Abbeyfield has been challenged this year with the press releases regarding house closures by Abbeyfield Living Society (centrally managed) particularly in the south west. Our staff have spent a considerable amount of time assuring residents, families and potential new residents that we are not part of this group. Graham Jenkins has been part of a group of CEO's from the larger societies of the south west in setting up the IPG (Informal Partnership Group). A principal reason for this was discontent with the direction in which Abbeyfield England were heading. As a result of a letter sent to the board of Abbeyfield England signed by all members of the IPG a special meeting was held with their chair and deputy chair who were very responsive to our concerns and we were encouraged by their feedback. A meeting was then organised and chairs from all houses in the south west were invited to discuss the willingness to join the IPG and discuss the current challenges facing houses in the south west and how we can all work together to overcome these. This forum is a useful place to share our experiences, both positive and problematic and work together to find solutions and to maintain the services that we provide. As a board we can see advantages going forward of smaller houses working together and enjoying the benefits of sharing the administrative burden and the purchasing benefits.

Financial review

With forward planning of anticipated expenditure and close monitoring of expenditure patterns and operating costs, the Board recommended a 5% increase in fees for residents from April 1st 2023. Staff salaries and wages were increased by 5%.

Turnover in the period totalled £286,383 whilst expenditure in the period was £342,192. This created an end of year deficit of £55,809. As at 31 March 2024 there were £1,739,828 held in unrestricted funds.

Plans for future periods

Aims and key objectives for future periods

The Trustees are committed to maintaining a high standard of repairs and maintenance to ensure the wellbeing and health and safety of residents. There are some challenges ahead with changing regulations on fire and electrical safety and these could be costly. Abbeyfield England have introduced new standards that we will be working on this year to have in place by December 2024. Succession planning is an area that has been identified as inadequate and this will be worked on this year.

Structure, governance and management

The Society is run by a management team comprising a CEO supported by Administrative and Financial assistants. The Board meets regularly to receive a report from the CEO and discuss the operation of the Society. The Treasurer presents a report at each meeting, setting out the year to date income and expenditure in comparison with the previous year and identifies any unexpected anticipated budget pressures and plans to accommodate these.

On the 1st of February Graham Cumming our treasurer stepped down after more than 10 years in the role. We are hugely indebted to him for the work he has done over that time taking over a system in disarray and leaving us with a truly professional and organised system to be proud of. Under his guidance the society is in a healthy financial position. We are delighted that Colin Weeks has agreed to take over the role as treasurer, a role he was carrying out for the Abbeyfield Taunton society, and we warmly welcome him.

Abbeyfield (East Devon) Society Limited

Trustees' Report

Major risks and management of those risks

Business Risk

The Board examines the major strategic, business and operational risks which the Society faces and approves an annual risk management plan which confirms that systems are in place to prevent or mitigate key areas of risk. These include Governance, Finance, Health and Safety and Staffing. The Finance Committee meets at key stages of the financial year to review the Society's income and expenditure, to prepare a detailed budget for the future year and to prepare recommendations for any fee and salary increases to be ratified by the Board.

Statement of trustees' responsibilities

The trustees (who are also the directors of Abbeyfield (East Devon) Society Limited 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial period. 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 charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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, comprising FRS 102 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the association's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Westcotts (SW) LLP as auditors of the association is to be proposed at the forthcoming Annual General Meeting.

Abbeyfield (East Devon) Society Limited

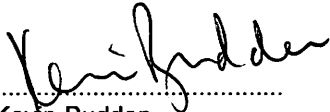
Trustees' Report

The annual report was approved by the trustees of the association on and signed on its behalf by:



~~Hilary Simon~~
Trustee

CHRISTOPHER DAVID KING.



Kevin Budden
Chairman and trustee

Abbeyfield (East Devon) Society Limited

Independent Auditor's Report to the Members of Abbeyfield (East Devon) Society Limited

Opinion

We have audited the financial statements of Abbeyfield (East Devon) Society Limited (the 'association') for the period from 15 September 2023 to 31 March 2024, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the association's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 auditor responsibilities for the audit of the financial statements section of our report. We are independent of the association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 association's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

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

Abbeyfield (East Devon) Society Limited

Independent Auditor's Report to the Members of Abbeyfield (East Devon) Society Limited

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.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities (set out on page 5), the trustees 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 association'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 association or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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.

Abbeyfield (East Devon) Society Limited

Independent Auditor's Report to the Members of Abbeyfield (East Devon) Society Limited

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management and inspection of the company's correspondence. We communicated identified laws and regulations throughout our team, and remained alert to any indications of non-compliance throughout the audit.
- The company is subject to laws and regulations that govern the preparation of the financial statements, including financial reporting legislation, and other company legislation. The company is also subject to other laws and regulations where the consequences of non-compliance could have a material impact on the amounts or disclosures within the financial statements, including employment, anti-bribery, anti-money laundering and certain aspects of companies legislation.
- Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

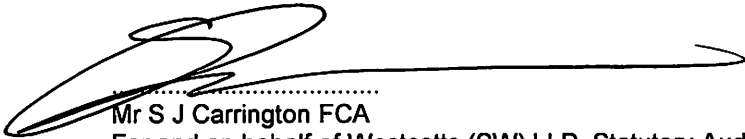
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Abbeyfield (East Devon) Society Limited

Independent Auditor's Report to the Members of Abbeyfield (East Devon) Society Limited

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the association's trustees those matters we are required to state to them in an auditor's 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.



Mr S J Carrington FCA
For and on behalf of Westcotts (SW) LLP, Statutory Auditor

Timberly
South Street
Axminster
Devon
EX13 5AD

Date: 13. 9. 2024

Abbeyfield (East Devon) Society Limited

Statement of Comprehensive Income for the Period from 15 September 2023 to 31 March 2024

	Note	Unrestricted funds £	Total 2024 £
Turnover	3	279,716	279,716
Operating costs		<u>(342,192)</u>	<u>(342,192)</u>
Operating deficit		(62,476)	(62,476)
Other investment income	4	1,891	1,891
Income from dividends	4	<u>4,776</u>	<u>4,776</u>
Total deficit		(55,809)	(55,809)
Unrealised gains/(losses) on investment assets		35,318	35,318
Transfer on incorporation		<u>1,760,319</u>	<u>1,760,319</u>
Total comprehensive income		<u>1,739,828</u>	<u>1,739,828</u>

All of the association's results relate wholly to continuing operations during the above period. The accompanying notes form part of the financial statements.

The notes on pages 15 to 26 form an integral part of these financial statements.

Abbeyfield (East Devon) Society Limited

**Statement of Changes in Reserves for the Period from 15 September 2023 to
31 March 2024**

	Unrestricted Income and expenditure reserve £	Total £
Total comprehensive income for the period	<u>1,739,828</u>	<u>1,739,828</u>
Balance at 31 March 2024	<u>1,739,828</u>	<u>1,739,828</u>

The notes on pages 15 to 26 form an integral part of these financial statements.

Abbeyfield (East Devon) Society Limited

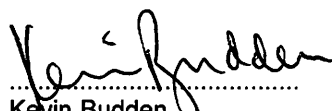
(Registration number: 15141319)

Statement of Financial Position as at 31 March 2024

	Note	2024 £
Fixed assets		
Tangible fixed assets	8	18,733
Tangible fixed assets - Housing properties	9	<u>1,699,920</u>
		<u>1,718,653</u>
Current assets		
Trade and other debtors	10	23,750
Investments	11	382,392
Cash and cash equivalents	12	<u>110,451</u>
		516,593
Creditors: Amounts falling due within one year	13	<u>(15,221)</u>
Net current assets		<u>501,372</u>
Total assets less current liabilities		2,220,025
Creditors: Amounts falling due after more than one year	14	<u>(480,197)</u>
Net assets		<u><u>1,739,828</u></u>
Reserves of the association:		
Unrestricted income funds		
Unrestricted funds		<u>1,739,828</u>
Total reserves	15	<u><u>1,739,828</u></u>

The financial statements on pages 11 to 26 were approved by the trustees, and authorised for issue on and signed on their behalf by:


.....
Trustee **CHRISTOPHER KNEE .**


.....
Kevin Budden
Chairman and trustee

The notes on pages 15 to 26 form an integral part of these financial statements.

Abbeyfield (East Devon) Society Limited

Statement of Cash Flows for the Period from 15 September 2023 to 31 March 2024

	Note	2024 £
Cash flows from operating activities		
Net cash income		1,739,828
Adjustments to cash flows from non-cash items		
Depreciation		25,429
Investment income	4	(6,667)
Revaluation of investments		<u>(35,318)</u>
		1,723,272
Working capital adjustments		
Increase in debtors	10	(23,750)
Increase in creditors	13	8,057
Increase in deferred income	14	<u>487,361</u>
Net cash flows from operating activities		<u>2,194,940</u>
Cash flows from investing activities		
Interest receivable and similar income	4	1,891
Purchase of tangible fixed assets	8	(947)
Purchase of housing property	9	(8,370)
Income from dividends	4	4,776
Fixed assets transferred on incorporation		(1,734,765)
Current asset investments transferred on incorporation		<u>(347,074)</u>
Net cash flows from investing activities		<u>(2,084,489)</u>
Net increase in cash and cash equivalents		110,451
Cash and cash equivalents at 15 September		<u>-</u>
Cash and cash equivalents at 31 March		<u><u>110,451</u></u>

All of the cash flows are derived from acquisitions in the current financial period.

The notes on pages 15 to 26 form an integral part of these financial statements.

Abbeyfield (East Devon) Society Limited

Notes to the Financial Statements for the Period from 15 September 2023 to 31 March 2024

1 Legal status

The association is registered under the Companies Act 2006 and is a registered provider of social housing and is a Charity.

1.1 General information

The association is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the association in the event of liquidation.

The address of its registered office is:

Marjorie Baker House
Vicarage Street
Colyton
Devon
EX24 6LJ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements of the association are prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis of preparation

Abbeyfield (East Devon) Society Limited meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling (£).

Going concern

The trustees consider that there are no material uncertainties about the association's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the association. The trustees have a reasonable expectation that the association has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. On this basis, the board continues to adopt the going concern basis in the financial statements.

Judgements

There were no judgements made in the period.

Abbeyfield (East Devon) Society Limited

Notes to the Financial Statements for the Period from 15 September 2023 to 31 March 2024

Key sources of estimation uncertainty

There were no key sources of estimation uncertainty made in the period.

Turnover and other income

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the association has unconditional entitlement.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the association; this is normally upon notification of the interest paid or payable by the bank.

Other income

All incoming resources are included in the statement of financial activities when the association is entitled to the income and the amount can be quantified with reasonable accuracy.

Certain residents receive financial support from local authorities who enter into Supporting People contracts with Abbeyfield East Devon. Under these contracts, which depend upon the peculiar circumstances of each resident, a part of the total amount chargeable to a resident is funded by Devon County Council. Amounts received from the local authorities are offset against the total amount which would otherwise be due from the resident.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Pension costs

Pension costs for the defined contribution scheme are charged against income as they fall due.

Abbeyfield (East Devon) Society Limited

Notes to the Financial Statements for the Period from 15 September 2023 to 31 March 2024

Taxation

The association 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 association 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.

Tangible fixed assets

Fixtures and fittings costing £100.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Housing, land and buildings are stated at cost. The cost of the properties is their purchase price, together with incidental costs of acquisition. To the extent that property costs have not qualified for the Social Housing Grant, they are funded from the Society's own resources.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

No depreciation is charged on the land. The main buildings are depreciated at 1% per annum. The alteration additions and buggy store are depreciated at 10% per annum. Social housing grant is released in accordance with the main building depreciation policy at 1% per annum.

Asset class

Furniture and equipment

Depreciation method and rate

10% reducing balance

Current asset investments

Current asset investments are held at mid-market value at the balance sheet date and the gain or loss taken to the income and expenditure account.

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the association will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Abbeyfield (East Devon) Society Limited

Notes to the Financial Statements for the Period from 15 September 2023 to 31 March 2024

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the association.

Pensions and other post retirement obligations

The association operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the association has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the association becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the association after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the association intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the association transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the association, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Abbeyfield (East Devon) Society Limited

Notes to the Financial Statements for the Period from 15 September 2023 to 31 March 2024

Social Housing Grant

Social housing grants for capital expenditure are recognised in income over the useful life of the housing property structure under the accruals model. Other capital grants received from the non-government sources are recognised in the income with the proceeds are received using the performance model.

In the circumstances where the Social Housing Grant is treated as a grant towards revenue expenditure, it is matched with the expenditure to which it relates by crediting the income and expenditure account as part of turnover, and disclosed separately within the turnover note. The corresponding expenditure is shown under operating costs.

Governments grants released on the sale of property may be repayable but are normally available to be recycled and are credited to a Recycled Capital Grant Fund and included in the statement of financial position as creditors.

3 Turnover

	Unrestricted funds Income and expenditure reserve £	Total 2024 £
Residents' charges	286,835	286,835
Service charges	3,090	3,090
Losses from voids	(13,274)	(13,274)
Other income	3,065	3,065
	<u>279,716</u>	<u>279,716</u>

4 Investment income

	Unrestricted funds Income and expenditure reserve £	Total 2024 £
Dividends receivable	4,776	4,776
Other investment income	1,891	1,891
	<u>6,667</u>	<u>6,667</u>

Abbeyfield (East Devon) Society Limited

Notes to the Financial Statements for the Period from 15 September 2023 to 31 March 2024

5 Net incoming/outgoing resources

Net incoming/outgoing resources for the period include:

	2024 £
Audit fees	3,312
Depreciation of fixed assets	<u>25,429</u>

6 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the association during the year.

The amount expenses waived by the trustees during the year totalled £Nil.

7 Staff costs

The aggregate payroll costs were as follows:

	2024 £
Staff costs during the period were:	
Wages and salaries	170,337
Social security costs	11,028
Pension costs	<u>5,769</u>
	<u>187,134</u>

The monthly average number of persons (including senior management / leadership team) employed by the association during the period expressed as full time equivalents was as follows:

	2024 No
House staff	17
Administration staff	<u>2</u>
	<u>19</u>

No employee received emoluments of more than £60,000 during the period.

Abbeyfield (East Devon) Society Limited

Notes to the Financial Statements for the Period from 15 September 2023 to 31 March 2024

8 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
Transfer on incorporation	132,366	132,366
Additions	<u>947</u>	<u>947</u>
At 31 March 2024	<u>133,313</u>	<u>133,313</u>
Depreciation		
Transfer on incorporation	113,448	113,448
Charge for the year	<u>1,132</u>	<u>1,132</u>
At 31 March 2024	<u>114,580</u>	<u>114,580</u>
Net book value		
At 31 March 2024	<u><u>18,733</u></u>	<u><u>18,733</u></u>

9 Housing properties

	Total £
Cost	
Transfer on incorporation	2,205,312
Additions	<u>8,370</u>
At 31 March 2024	<u>2,213,682</u>
Depreciation	
Transfer on incorporation	489,465
Charge for the year	<u>24,297</u>
At 31 March 2024	<u>513,762</u>
Net book value	
At 31 March 2024	<u><u>1,699,920</u></u>

Abbeyfield (East Devon) Society Limited

Notes to the Financial Statements for the Period from 15 September 2023 to 31 March 2024

Social Housing Assistance

	2024 £
Social housing assistance at the start of the period	494,525
Recognised in the statement of comprehensive income	<u>(7,164)</u>
Held as deferred income at the end of the period	<u>487,361</u>

Social housing grants are repayable if the property it relates to is sold.

10 Debtors

	2024 £
Prepayments	10,827
Other debtors	<u>12,923</u>
	<u>23,750</u>

11 Current asset investments

	2024 £
Transfer on incorporation	347,074
Revaluation	<u>35,318</u>
Market valuation of listed investments	<u>382,392</u>

Investments have an original cost of £357,572. They have been revalued to the mid-market valuation at the balance sheet date.

12 Cash and cash equivalents

	2024 £
Cash on hand	1,037
Cash at bank	<u>109,414</u>
	<u>110,451</u>

13 Creditors: amounts falling due within one year

	2024 £
Accruals	8,057
Deferred income	<u>7,164</u>
	<u>15,221</u>

Abbeyfield (East Devon) Society Limited

Notes to the Financial Statements for the Period from 15 September 2023 to 31 March 2024

14 Creditors: amounts falling due after one year

	2024 £
Deferred income	<u>480,197</u>

15 Funds

	Funds transferred on incorporation £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2024 £
Unrestricted funds					
<i>Income and expenditure reserve</i>					
General Funds	1,585,319	286,383	(342,192)	35,318	1,564,828
Revaluation reserves	<u>175,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>175,000</u>
	<u>1,760,319</u>	<u>286,383</u>	<u>(342,192)</u>	<u>35,318</u>	<u>1,739,828</u>

16 Analysis of net assets between funds

	Unrestricted funds Income and expenditure reserve £	Total funds at 31 March 2024 £
Tangible fixed assets	18,733	18,733
Housing properties	1,699,920	1,699,920
Current assets	516,593	516,593
Current liabilities	(15,221)	(15,221)
Creditors over 1 year	<u>(480,197)</u>	<u>(480,197)</u>
Total net assets	<u>1,739,828</u>	<u>1,739,828</u>

17 Related party transactions

During the period, The Abbeyfield (East Devon) Society Limited assisted with payments on behalf of The Abbeyfield Taunton Defendamus Society Limited (company number: 00900502). Included within debtors at the period end is a balance of £12,923 owing from Abbeyfield Taunton. After the period end, the Abbeyfield Taunton merged with the Abbeyfield (East Devon), with all of its assets and operations being transferred from 1 July 2024.

Abbeyfield (East Devon) Society Limited

Notes to the Financial Statements for the Period from 15 September 2023 to 31 March 2024

18 Accommodation in management

As at 31 March 2024, the Association had 27 units in management.

19 Change in status

On the 15 September 2023, The Abbeyfield (Colyton) Society Limited (registered company number 22279R) and The Abbeyfield Honiton Society Limited (registered charity number 257620) transferred all of the assets and charitable operations into the newly formed charitable company The Abbeyfield (East Devon) Society Limited. The accounts are prepared for the short period from the date of company registration on 15 September 2023 to 31 March 2024.

20 Value for money metrics

20.1 Reinvestment percentage

	2024
Reinvestment percentage	-%
	<u> </u>

20.2 New supply delivered percentage

New supply delivered percentage	-%
	<u> </u>

20.3 Gearing ratio

	£
Short term loans	-
Long term loans	-
Cash and cash equivalents	(110,451)
	<u>(110,451)</u>
	<u> </u>
Tangible fixed assets (housing) as cost	2,213,682
	<u> </u>
Gearing ratio	<u>(4.99%)</u>

Abbeyfield (East Devon) Society Limited

Notes to the Financial Statements for the Period from 15 September 2023 to 31 March 2024

20.4 EBITDAR MRI interest cover percentage

	£
Overall operating deficit	(55,809)
Amortised government grant	(7,164)
Depreciation	25,429
	<u>(37,544)</u>
Interest capitalised	-
Interest payable	-
EBITDAR MRI Interest cover percentage	<u>-%</u>

20.5 Social housing cost per unit

	£
Routine/planned maintenance	53,736
	<u>53,736</u>
Total number of units	<u>27</u>
	£
Social housing cost per unit	<u>1,990</u>

20.6 Operating margin percentage

A - Social housing lettings only

	£
Operating surplus/(deficit) from social housing lettings	<u>(55,809)</u>
Turnover from social housing lettings	<u>279,716</u>
Operating margin percentage	<u>(19.95%)</u>

B - Overall social housing lettings only

	£
Overall operating surplus/(deficit)	<u>(20,491)</u>
Overall turnover	<u>279,716</u>
Overall operating margin percentage	<u>(7.33%)</u>

Abbeyfield (East Devon) Society Limited

Notes to the Financial Statements for the Period from 15 September 2023 to 31 March 2024

20.7 Return on capital employed

	£
Overall operating surplus/(deficit)	<u>(20,491)</u>
Total assets less current liabilities	<u>2,220,025</u>
Overall operating margin percentage	<u>(0.92%)</u>

Abbeyfield (East Devon) Society Limited

Detailed Statement of Financial Activities for the Period from 15 September 2023 to 31 March 2024

	Total 2024 £
<i>Turnover</i>	
Rent receivable	286,835
Service charge income	3,090
Voids	(13,274)
Guest rooms & lunches and other income	3,065
	<u>279,716</u>
<i>Investment income</i>	
Income from dividends	4,776
Other investment income	1,891
	<u>6,667</u>
<i>Raising funds</i>	
Amortised social housing grant	7,164
Wages and salaries	(170,337)
Staff NIC (Employers)	(11,028)
Staff pensions (Defined contribution)	(5,769)
Staff training	(115)
Travel	(1,663)
Property maintenance	(53,736)
Food, household and cleaning	(25,141)
Gardening	(1,110)
Rates	(1,627)
Water rates	(2,805)
Heat and light	(26,028)
Insurance	(2,333)
Stationery, postage and advertising	(1,348)
Telephone	(1,554)
Personal Alarm System	(1,122)
IT expenses	(1,905)
Legal and professional fees	(7,516)
Sundry expenses	(3,436)
Bank charges	(126)
PPE	(714)
Abbeyfield Society Membership	(3,840)
Telephone cost and TV licence	(674)
Depreciation of housing property	(24,297)
Depreciation of fixtures and fittings	(1,132)
	<u>(342,192)</u>

This page does not form part of the statutory financial statements.