
THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Trustees' report	2 - 7
Trustees' responsibilities statement	8
Independent auditors' report on the financial statements	9 - 12
Statement of financial activities	13
Balance sheet	14 - 15
Notes to the financial statements	16 - 26

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Trustees	E P Morgan M Morgan D Bambridge G Fieldwick M S Hampson T V Box (appointed 24 September 2021) A J Renton (resigned 6 September 2021)
Company registered number	0632263
Charity registered number	206449
Registered office	103 Long Road Canvey Island Essex SS8 0JB
Independent auditors	Haslers Chartered Accountants Old Station Road Loughton Essex IG10 4PL

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 October 2020 to 30 September 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity 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 activity of the charity is managing a home for elderly people at 103 Long Road, Canvey Island in accordance with the aims and principles of the Abbeyfield Society Limited. These activities fall wholly within the hostel housing activities defined in the Housing Act 1996 and section 17(5) of the Charities Act.

The Abbeyfield Canvey Island Society Limited is an independent society operating under the umbrella of The Abbeyfield Society.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Achievements and performance

a. Main achievements of the Charity

The results for the year are set out in the income and expenditure account and the position at the end of the year is shown in the balance sheet. The committee consider that the state of affairs of the Society is satisfactory.

b. Review of activities

The home was not fully occupied throughout the year. The total voids for 2021 was 39.4% compared with 34.9% for 2020. However levels for the year are within the "normal" range for the charity.

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to one year's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The society needs instant access to its reserves to meet ongoing liabilities. Cash balances are held in a bank current account and also a deposit account providing the highest possible return based on the funds invested. Some funds are also invested in a bond which gives a higher rate of interest.

c. Financial

There has been a notable, but not significant, decrease in rental income for the year of £6,312 to £113,314 (2020: £119,626). This represents a decrease in income of 5.3% for the year as a result of the increase in voids in the year.

As always the Trustees are mindful of the need to minimise the voids in the year and maintain a full house. This is to provide the best quality of social life for the residents as much as it is for financial reasons. The Trustees take all possible steps to fill any empty rooms as soon as possible. To this end, a waiting list is maintained and potential residents and their families are encouraged to visit the house as soon as they express an interest in living here. Empty rooms are first notified to people on the waiting list, but of course care needs and circumstances can often change rapidly. Room vacancies are advertised locally if required. It is however acknowledged that to a certain extent room vacancies are inevitable and outside of the Trustees control.

Covid-19 has had a detrimental impact on the charity and the Trustees have focused on returning occupancy levels to pre-pandemic levels. This area is being closely monitored by the Trustees.

The Trustees are aware that a deficit of £30,846 (2020: £29,113 deficit) has been made during the year.

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

d. Value For Money Metrics

Metric 1 - Reinvestment %

Works to existing properties/housing properties at cost or valuation

	2021		2020	
Property improvements in year	-	= 0%	1,740.00	= 0%
Total property and improvements at cost	442,000.00		442,000.00	

Metric 2 - New supply delivered %

New units developed in year/existing units at year end

	2021		2020	
No. of rooms developed in year	-	= 0%	-	= 0%
No of rooms at year end	11.00		11.00	

it is not in the charity's plan or capability to increase the number of units offered. The house is of a fixed size and expansion is not practical or in the best interests of the residents. It is instead the charity's objective to continue to offer excellent accommodation and service at the current volume.

Metric 3 - Gearing %

(Short and long term loans- cash) + finance leases/property at cost

	2021		2020	
Loans and leases	-	= 0%	-	= 0%
Total property and improvements at cost	442,000.00		442,000.00	

The charity maintains reserves in line with its published policy and has a history of saving for future investments/improvements or utilising accumulated reserves for such purposes. Therefore it has not been deemed necessary to enter into debt.

Metric 4 - Earnings before Interest, tax, Depreciation, Major repairs included (EBITDA MRI) Interest cover

Operating surplus/deficit + interest+depn/interest payable

This is impossible to calculate as the charity has no interest payable as it is not in debt.

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Metric 5 - Headline social housing cost per unit

	2021	2020
Direct costs per accounts	130,810.35	135,395.84
Support costs per accounts	<u>14,789.05</u>	<u>14,957.76</u>
Expenditure on charitable activities per a/cs	145,599.40	150,353.60
Less depreciation included above	(15,028.00)	(17,463.00)
Capitalised repairs in year	<u>-</u>	<u>1,740.00</u>
Total costs	<u>134,630.60</u>	<u>134,630.60</u>
Number of units	11	11
Cost per unit	11,870.13	12,239.15

Metric 6 - Operating margin %

Operating surplus or deficit/turnover

	2021		2020
Rental income-charitable costs	<u>(32,285.53)</u>	= - 28%	<u>(30,727.57)</u>
Rental income	113,313.87		119,626.03

Metric 7 - Return on capital employed (ROCE) %

Operating surplus or deficit/total assets less current liabilities

	2021		2020
Rental income-charitable costs	<u>(32,285.53)</u>	= - 16%	<u>(30,727.57)</u>
Total assets less current liabilities	199,907.16		230,753.74

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Structure, governance and management

a. Constitution

The Abbeyfield Canvey Island Society Limited is registered as a charitable company limited by guarantee governed by its Memorandum and Articles of Association. The charity was incorporated by guarantee on 9th July 1959. It is a registered charity with the Charity Commission. The company is also a registered Housing Corporation as a Registered Social Landlord as defined by schedule 1 to the Housing Act 1996. The society is wholly engaged in housing activities as defined in the Act.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

E P Morgan
M Morgan
D Bambridge
A J Renton (resigned 6 September 2021)
G Fieldwick
M S Hampson
T V Box (appointed 24 September 2021)

b. Methods of appointment or election of Trustees

All new trustees are appointed by existing committee members after consultation and deliberation.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

c. Policies adopted for the induction and training of Trustees

New trustees undergo an induction session. The existing committee brief them on their responsibilities and the philosophy of the charity. New trustees are given an introductory pack containing copies of key policies and procedures.

The board of trustees, which can have up to 50 members, administers the charity. The committee meets regularly to discuss matters.

The officers of the charity for the year ended 30th September 2021 were as follows:

Chair:	Mr M S Hampson
Treasurer:	Ms M Morgan
Facilities manager:	Ms D Bambridge

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Structure, governance and management (continued)

d. Financial risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The trustees have a risk management strategy which comprises:

- An annual review of the risks that the charity may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan;
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

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, Haslers, 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 on 6 April 2022 and signed on their behalf by:

	
M S Hampson Chair of Trustees	M Morgan Trustee

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity 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:

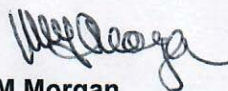
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject 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 Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 Companies Act 2006. 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.

Approved by order of the members of the board of Trustees on 6 April 2022 and signed on its behalf by:



M S Hampson
Chair of Trustees



M Morgan
Trustee

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED

Opinion

We have audited the financial statements of The Abbeyfield Canvey Island Society Limited (the 'charitable company') for the year ended 30 September 2021 which comprise the Statement of Financial Activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED (CONTINUED)

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 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:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act, Charities Act, Charities SORP (FRS102); and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty.

We obtained an understanding of how the company are complying with those legal and regulatory frameworks by inquiring with management. These inquiries were corroborated by a review of documentation issued by the Trustees and used to assess the extent of compliance with the relevant laws and regulations.

We discussed among the audit engagement team regarding the opportunities and incentives, including management override of controls, that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address it are described below:

The principal risks related to inappropriate journal entries impact management bias in accounting estimates.

Procedures performed to address these were as follows:

- Walkthrough testing was carried out to identify and assess the design effectiveness of controls management have in place to prevent and detect fraud.
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process.
- Assessing the appropriateness of accounting estimates and challenging any significant assumptions or judgements made by management.

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEYFIELD CANVEY ISLAND
SOCIETY LIMITED (CONTINUED)**

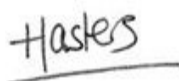
• Incorporating testing of manual journal entries that were posted throughout the year. In particular we focused on material journal entries, journal entries posted with unusual account combinations, journal entries crediting income or cash, and journal entries with specific defined descriptions. These were scrutinised for evidence of unusual entries.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate actions to commit misstatements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Haslers
Chartered Accountants
Statutory Auditor
Old Station Road
Loughton
Essex
IG10 4PL

6 April 2022

Haslers are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:				
Donations and legacies	3	-	-	25
Charitable activities	4	113,314	113,314	119,626
Investments	5	1,439	1,439	1,590
Total income		114,753	114,753	121,241
Expenditure on:				
Charitable activities		145,599	145,599	150,354
Total expenditure		145,599	145,599	150,354
Net movement in funds		(30,846)	(30,846)	(29,113)
Reconciliation of funds:				
Total funds brought forward		230,754	230,754	259,867
Net movement in funds		(30,846)	(30,846)	(29,113)
Total funds carried forward		199,908	199,908	230,754

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

The notes on pages 16 to 26 form part of these financial statements.

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 0632263

BALANCE SHEET
AS AT 30 SEPTEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	9	82,945	97,973
Investments	10	1	1
		<u>82,946</u>	<u>97,974</u>
Current assets			
Debtors	11	6,249	4,549
Cash at bank and in hand		125,183	140,925
		<u>131,432</u>	<u>145,474</u>
Creditors: amounts falling due within one year	12	(14,469)	(12,693)
Net current assets		<u>116,963</u>	<u>132,781</u>
Total assets less current liabilities		<u>199,909</u>	<u>230,755</u>
Creditors: amounts falling due after more than one year	13	(1)	(1)
Total net assets		<u><u>199,908</u></u>	<u><u>230,754</u></u>
Charity funds			
Restricted funds	14	-	-
Unrestricted funds	14	199,908	230,754
Total funds		<u><u>199,908</u></u>	<u><u>230,754</u></u>

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 0632263

BALANCE SHEET (CONTINUED)
AS AT 30 SEPTEMBER 2021

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 145 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 on 06 April 2022 and signed on their behalf by:



M S Hampson
Chair of Trustees



M Morgan
Trustee

The notes on pages 16 to 26 form part of these financial statements.

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. General information

The Abbeyfield Canvey Island Society Limited is a private incorporated charity, limited by guarantee, registered in England and Wales, with a company registration number of 00632263. The registered address is 103 Long Road, Canvey Island, Essex, SS8 0JB.

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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Abbeyfield Canvey Island Society Limited 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 Income

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

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

2.3 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.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

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

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 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 basis:

Freehold property	-	25% Straight Line
Fixtures and fittings	-	15% Reducing Balance
Office equipment	-	25% Reducing Balance
Property improvements	-	15% Reducing Balance

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the statement of financial activities.

2.7 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.

2.8 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.

2.9 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 Charity 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.

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

2. Accounting policies (continued)

2.10 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 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 Charity and which have not been designated for other purposes.

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

3. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Donations	-	-	25

4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Rental Income	186,920	186,920	183,840
Losses through Voids	(73,606)	(73,606)	(64,214)
Total 2021	113,314	113,314	119,626

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

5. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Interest Receivable	1,439	1,439	1,590
	<u> </u>	<u> </u>	<u> </u>

6. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Charitable Activities	130,810	14,788	145,598	150,354
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Total 2020</i>	<u>135,022</u>	<u>15,332</u>	<u>150,354</u>	

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

6. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	69,034	70,860
Depreciation	15,028	17,463
Food and household sundries	9,649	10,348
Telephone charges	2,549	2,597
House cleaning and maintenance	4,172	3,934
Heating and lighting	7,190	6,455
Repairs and maintenance	10,045	9,854
Insurance	3,360	2,544
Rates and water	4,663	5,298
Care line fees	1,796	1,236
Advertising	474	607
Other costs	2,502	3,646
Travelling expense	-	30
Legal and professional	348	150
Total 2021	130,810	135,022

Analysis of support costs

	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	7,105	7,001
Printing, postage and stationery	1,043	862
Legal and professional	1,750	1,750
Sundry expenses	672	1,871
Bank charges	138	138
Audit fees	4,080	3,710
Total 2021	14,788	15,332

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

7. Auditors' remuneration

	2021 £	<i>2020</i> £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	4,140	<i>3,960</i>
	<u>4,140</u>	<u><i>3,960</i></u>

8. Staff costs

	2021 £	<i>2020</i> £
Wages and salaries	76,139	<i>77,861</i>
	<u>76,139</u>	<u><i>77,861</i></u>

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

	2021 No.	<i>2020</i> <i>No.</i>
House Staff	6	<i>6</i>
Office Staff	2	<i>2</i>
	<u>8</u>	<u><i>8</i></u>

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

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

9. Tangible fixed assets

	Freehold property £	Fixtures, fittings and improvements £	Land and buildings SHG assisted scheme £	Property improvements £	Total £
Cost or valuation					
At 1 October 2020	395,493	232,329	378	46,507	674,707
At 30 September 2021	395,493	232,329	378	46,507	674,707
Depreciation					
At 1 October 2020	395,493	163,739	366	17,136	576,734
Charge for the year	-	10,370	3	4,655	15,028
At 30 September 2021	395,493	174,109	369	21,791	591,762
Net book value					
At 30 September 2021	-	58,220	9	24,716	82,945
At 30 September 2020	-	68,590	12	29,371	97,973

10. Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 October 2020	1
At 30 September 2021	1
Net book value	
At 30 September 2021	1
At 30 September 2020	1

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

10. Fixed asset investments (continued)

At 1 October 2020 and 30 September 2021 the charity held a £1 investment in Abbeyfield Deben Extra Care Society Limited which relates to one share.

11. Debtors

	2021 £	2020 £
Due within one year		
Other debtors	4	547
Prepayments and accrued income	6,245	4,002
	<u>6,249</u>	<u>4,549</u>

12. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	3,920	2,632
Other creditors	5,743	3,500
Accruals and deferred income	4,806	6,561
	<u>14,469</u>	<u>12,693</u>

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

13. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Other loans	1	1

The creditor relates to an outstanding balance on the charity's mortgage with Santander Bank Plc and is held to facilitate deed retention.

14. Statement of funds

Statement of funds - current year

	Balance at 1 October 2020 £	Income £	Expenditure £	Balance at 30 September 2021 £
Unrestricted funds				
General Funds - all funds	230,754	114,753	(145,599)	199,908

Statement of funds - prior year

	Balance at 1 October 2019 £	Income £	Expenditure £	Balance at 30 September 2020 £
Unrestricted funds				
General Funds - all funds	259,867	121,241	(150,354)	230,754

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

15. Summary of funds

Summary of funds - current year

	Balance at 1 October 2020 £	Income £	Expenditure £	Balance at 30 September 2021 £
General funds	230,754	114,753	(145,599)	199,908
	=====	=====	=====	=====

Summary of funds - prior year

	<i>Balance at 1 October 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 September 2020 £</i>
General funds	<i>259,867</i>	<i>121,241</i>	<i>(150,354)</i>	<i>230,754</i>
	<i>=====</i>	<i>=====</i>	<i>=====</i>	<i>=====</i>

THE ABBEYFIELD CANVEY ISLAND SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	82,945	82,945
Fixed asset investments	1	1
Current assets	131,432	131,432
Creditors due within one year	(14,469)	(14,469)
Creditors due in more than one year	(1)	(1)
Total	<u>199,908</u>	<u>199,908</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	97,973	97,973
Fixed asset investments	1	1
Current assets	145,474	145,474
Creditors due within one year	(12,693)	(12,693)
Creditors due in more than one year	(1)	(1)
Total	<u>230,754</u>	<u>230,754</u>

17. Related party transactions

During the year, no related party transactions occurred.