

Company registered number: 00736150
Charity number: 216779
Regulator of Social Housing registered number H0375

ABBNEYFIELD SOUTH DOWNS LIMITED

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 2025**

ABBNEYFIELD SOUTH DOWNS LIMITED

CONTENTS

The Board, Executive Officers and Advisers	1
Report of the Board of Trustees	2 - 14
Independent auditors' report	15 - 19
Statement of comprehensive income	20
Statement of changes in reserves	21
Balance sheet	22
Statement of cash flows	23
Notes to the financial statements	24 - 36
Detailed income and expenditure account	37

ABBEYFIELD SOUTH DOWNS LIMITED

THE BOARD, EXECUTIVE OFFICERS, ADVISERS

The Board as at the date of approval of this Annual Report	Mr I Thomas CEng BSc (Hons) MRICS MStructE MCIOB (Chairman) Mr D Byrne FCII Mr M Paris MBE MCIOB Miss J Sorenson BA (Hons) PGDipM Chartered Marketer Mr J Timbs FCMI Mr P Anderson LLB(Hons) MBA Dr I Conlan MBA FCCA Mr N Taylor
Note: all Board members are also trustees of the charity	
Executive Officers as at the date of approval of this Annual Report	Mrs N Moss (General Manager)
Company secretary	Mr P Anderson LLB(Hons) MBA
Registered office and principal address	Holdenhurst Mill Road Heathfield East Sussex TN21 0GG
Independent auditors	Lindeyer Francis Ferguson Limited Statutory Auditors North House 198 High Street Tonbridge Kent TN9 1BE
Bankers	Barclays Bank plc 63/67 Terminus Road Eastbourne East Sussex BN21 3NE
Legal status	
Registered company limited by guarantee	No. 00736150
Registered with the Regulator of Social Housing	No. H0375
Registered with the Charity Commission	No. 216779

ABBNEYFIELD SOUTH DOWNS LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

Annual Report Statement

The Trustees, who also serve as directors of the charity under the Companies Act 2006, present their annual report, along with the audited financial statements for Abbeyfield South Downs Limited, covering the financial year ended 31 March 2025.

Objectives and Activities

As of 31 March 2025, the charity remains committed to preventing and alleviating loneliness and reducing the risk of isolation in later life. At the end of the reporting year, Abbeyfield South Downs had 106 homes available to let across its six sheltered housing schemes in Eastbourne, Heathfield, Tunbridge Wells, Hove, and Worthing. Providing comfortable and secure, low-cost and affordable homes within a communal living environment that encourages a supportive community, friendship and independence. This is made possible by our dedicated workforce, which provides our home-cooked meal provision, maintains daily contact with our tenants, and offers good-neighbour support and companionship.

To fulfil its objectives, the charity seeks to generate a sustainable surplus from rental income over expenditure. This financial approach underpins the ongoing upkeep of its properties and supports the delivery of consistently high-quality services. The charity remains committed to maintaining and enhancing these standards wherever possible, while ensuring full compliance with all legislation relevant to its operations.

Location	No of low-cost sheltered housing units	No of 'Affordable' sheltered housing units	No of General Needs housing units	Changes since 31 March 2024	Occupancy YTD
Eastbourne x 2	16		1	None	98%
Brighton & Hove	16		2	None	96%
Heathfield		48		None	99%
Tunbridge Wells	14			None	91%
Worthing [BCH]	9		[1]	[1] under development	85%
Worthing [SEA]	[8]			Closed May 2024 [8] under development	
Alfriston	[9]			Closed Jan 2025	59%
Total lettable units at 31/03/2025	55	48	3	106	94%

The Trustees have reviewed the Charity's aims and objectives and confirm that, in planning and delivering its activities, they have had due regard to the Charity Commission's guidance on public benefit, including its guidance on fee-charging. The Trustees also ensure that the Charity complies with all applicable legislation and regulatory requirements.

ABBNEYFIELD SOUTH DOWNS LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

Achievements and Performance

This reporting year has been one of change and resilience. Key influences that have dominated the year under review:

- Ian Thomas' succession to the Chair in April 2024
- The retirement of our CEO, Nolan Taylor, in September 2024.
- Appointment of Nikki Moss as General Manager in April 2024
- Restructure and appointment of a new management team
- Absorption of Abbeyfield Worthing Society
- Closure of Abbeyfield House, Alfriston

Following unanimous support from the Board of Trustees, Ian Thomas succeeded David Byrne as Chair of Abbeyfield South Downs. The Board extends its sincere thanks to David for a decade of dedicated leadership, during which the organisation experienced substantial growth and transformation. David's many contributions include the opening of Holdenhurst in 2022, a landmark project delivering 48 affordable rental apartments within a sheltered housing scheme. With a longstanding commitment to charitable work, David continues to serve Abbeyfield South Downs as a Trustee, bringing valuable experience and expertise to support its ongoing mission.

Ian's appointment represents a natural progression, following his integral role as Development Director in the planning, construction, and completion of the Holdenhurst development. Along with his professional background as a building surveyor, Ian brings over two decades of experience within the Abbeyfield movement, including senior roles at Abbeyfield Kent and the national Abbeyfield Society. His extensive background in social housing and property development positions him well to lead Abbeyfield South Downs into its next chapter.

Nolan Taylor, Chief Executive Officer, formally announced his retirement in March 2024 after 11 years of dedicated service to Abbeyfield South Downs. During his tenure, Nolan worked closely with David Byrne and Ian Thomas, playing a pivotal role in the charity's growth and development. He stepped down from day-to-day management at the end of June 2024 and officially retired in September. The Board expresses its sincere gratitude for Nolan's leadership and lasting contributions. Nolan's commitment to the charity's mission continues, and in October 2024, he joined the Board of Trustees, ensuring his experience remains part of Abbeyfield South Downs' future.

The Board of Trustees are delighted to welcome Nikki Moss to the role of General Manager in April 2024, taking responsibility for the operational management of the organisation and reporting directly to the board. Nikki has 11 years of service with Abbeyfield South Downs and 35 years of experience working in and managing services for older people. Her professional credentials include

ABBNEYFIELD SOUTH DOWNS LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

a range of Level 3, 4, and 5 qualifications from Health & Social Care and the Chartered Institute of Housing. Nikki has a clear perspective on the charity's mission and its need for its services to be affordable to older people on the lowest incomes. Nikki can be credited with developing a dedicated workforce, a successful service model and taking the Holdenhurst development project to an operational service.

Following Board approval of the proposed restructuring plan in October 2023, implementation was led by Nikki Moss throughout 2024. The decision was driven by the charity's substantial growth — from 58 to 123 housing units between 2022 and 2024, representing a 112% increase, and the resulting operational pressures on the Management Team. Nolan's retirement further underscored the need to reinforce leadership capacity and reduce dependency on individual roles. The restructuring was designed to ensure the charity is equipped to deliver high-quality housing services while fostering a resilient, values-led organisation. It introduced the following strategic outcomes:

- Adequate resources to maintain service standards for tenants and staff.
- Company resilience to anticipate, adapt to, and recover from disruptions, while continuing to deliver its mission, safeguard people, and uphold values.
- Reduced reliance on single individuals, mitigating points of failure.
- A diverse range of skills to advance organisational objectives.
- Improved working conditions, acknowledging staff welfare as central to long-term success.
- Greater operational autonomy and clear accountability for service outcomes.
- Strengthened regulatory compliance.
- Transparent reporting mechanisms to inform financial and strategic decisions at Board level.

As of 31 March 2025, significant progress has been made across key operational and leadership areas. We are pleased to confirm our Finance Manager, Wendy Barrow, assumed additional responsibilities following Nolan's retirement. Wendy has been a valued member of the team for over ten years, bringing continuity, expertise, and a deep understanding of our financial systems. Her long-standing commitment and leadership are deeply appreciated, particularly during this period of transition.

Additionally, two Operational Managers have been recruited to strengthen support for tenants and staff, as well as to enhance oversight of property-related responsibilities. All planned outcomes are expected to be achieved during 2025/26, following a period of consolidation and embedding.

As of 1 April 2024, the Complaint Handling Code ('the Code') became statutory, requiring all members of the Housing Ombudsman Scheme to comply with its provisions by law. Abbeyfield South Downs is proud to have achieved full compliance, demonstrating our commitment to transparency, fairness, and continuous improvement.

ABBNEYFIELD SOUTH DOWNS LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

The Company Secretary serves as the Member Responsible for Complaints (MRC), a designated role within the Abbeyfield South Downs Board. The MRC provides strategic oversight of complaint handling performance and ensures accountability is embedded across the organisation.

Following a detailed review of its viability, regrettably, the Abbeyfield South Downs board had to decide to close Abbeyfield House, Alfriston. We acquired the Alfriston and District Society in 2017. The service had struggled to achieve a viable occupancy in the preceding years. We implemented a comprehensive digital marketing plan, which proved successful for several years. Although the service was located in a beautiful village at the foot of the South Downs National Park, the quality and size of the accommodation no longer met the expectations of potential tenants. Due to the construction of the building, the cost of refurbishment or development was prohibitive, compounded by factors such as accessibility of services, transportation, and staffing in a rural area. A closure process can be distressing for tenants, their families, and staff. We strive to act as sensitively as possible, but it is the responsibility of Trustees to ensure that the charity's assets are used to serve as many people as possible. Where a service becomes unable to support itself financially, funds must be diverted to cover operational costs, which erodes charity funds in the long term. The closure concluded in January 2025. The funds acquired from the sale of the property will be used to support the development of new low-cost or affordable homes, furthering the charity's objectives and maximising the resources available to us.

The Abbeyfield Worthing Society gifted its assets to Abbeyfield South Downs in November 2023. The assets consisted of two properties in close proximity to each other, both underoccupied by 50% and requiring significant refurbishment. Due to insufficient staffing, we decided to close Seascapes and focus our resources on improving Beachside. Beachside had the advantage of a passenger lift. Beachside underwent refurbishment to address long-standing damp issues, as well as improvements to decoration, laundry, dining, and office spaces. The previous live-in staff accommodation was remodelled and refurbished to create an additional self-contained, low-cost lettable home. All tenants and staff from Seascapes relocated to Beachside or other ASD properties under improved terms and conditions. The staff team achieved full occupancy in August 2024, a level that has been sustained throughout the year.

Plans for the Future

ASD will continue to align decisions with its 2023 strategy, which prioritises sustainable growth, operational resilience, and tenant wellbeing.

We will seek opportunities for development within or adjacent to our current areas of operation. The nature and scale of future schemes will depend on the availability of suitable land, existing properties, or failed/failing developments that may be repurposed to meet local housing needs.

ABBNEYFIELD SOUTH DOWNS LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

Strategic partnerships or mergers with other charities and organisations will also be considered where they align with our values and enhance our capacity to deliver high-quality housing and support.

Alongside service development, we remain focused on strengthening the governance and management of the company, including regular review of our organisational structure and systems to ensure they remain fit for purpose, legally compliant, and responsive to both operational demands and strategic priorities.

All initiatives will be reviewed in light of the economic climate and other influencing factors, ensuring our approach remains beneficial to the charity's purpose, financially sound, and adaptable to change.

The currently closed Seascapes site presents an opportunity for the charity to further its objectives. We intend to develop this site and create eight new, self-contained, low-cost, or affordable homes. We are pleased to be working in partnership with Worthing Council to gain grant funding from Homes England. The plans are at the preliminary stages, but we are optimistic that planning permission will be granted. This work will continue in 2025/26. We anticipate that homes will be available in 2026, subject to our achieving the required funding and the project costs remaining viable.

The Board remains firmly of the view that our 'Independent Living' development and its associated operating model represent a progressive solution to meeting the evolving expectations of an ageing population, alongside emerging policy realignments. Holdenhurst's success has been very encouraging, and we are committed to exploring opportunities to replicate similar models across our geographical footprint. We believe this approach may serve as a blueprint for similar developments in the future, for Abbeyfield South Downs and across the sector.

At the same time, we continue to support and invest in our existing sheltered housing services, where demand remains strong. These schemes provide an all-inclusive housing solution for tenants with the lowest incomes, particularly those eligible for welfare assistance. Making a tangible difference to the lives of the tenants they serve.

Demand for our services has been strong throughout the year, and we are confident of maintaining or exceeding our occupancy rate in 2025/26. Having duly considered the above, and taking into account the current economic environment and sector context, the Trustees have concluded that there are no material uncertainties that cast significant doubt on the charity's ability to continue.

ABBNEYFIELD SOUTH DOWNS LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

Risk Management

The Board maintains a risk management process to identify, assess, and mitigate significant risks across all operations and development activities. David Byrne and Nolan Taylor lead oversight. The Board has requested a Risk Sub-Committee, involving operational staff, to support this process by contributing frontline insights and ensuring risks are grounded in day-to-day realities.

Strategic Risk	
Risk: Operating within a complex and evolving market influenced by regulatory shifts, competition, demographic change, and economic pressure.	Mitigation: <ul style="list-style-type: none">• Annual review of Risk Register• Robust reporting to the Board of Trustees• Sector and economic surveillance• Adopted a 10-year Strategic Plan (2016–2026), grounded in sector research and operational intelligence.• Updated ten year Strategic Plan in development, informed by Trustee and leadership expertise and aligned with Abbeyfield England’s direction
Financial Viability	
Risk: Financial underperformance affecting service quality and property maintenance.	Mitigation: <ul style="list-style-type: none">• Operations continue to produce sufficient funds to support service excellence and property upkeep.• Annual financial budget approved by the Board, with quarterly reporting to track performance.• Monthly operational income/expenditure reporting to SMT and house staff.• Occupancy levels adopted as the primary KPI—actively tracked and reported.• Facility Agreement in place with Charity Bank and Big Society Capital, secured after modelling to G2060. Quarterly covenant performance reviews are conducted internally and externally• Review of Treasury and Investment Policies
Reputational Risk	
Risk: Threats to reputation from poor safeguarding, falling service standards, or deteriorating housing conditions.	Mitigation: <ul style="list-style-type: none">• Continuous service monitoring by SMT, supported by the Board.• Operating Policies maintained and enacted, including Housing Ombudsman complaint handling code compliance.• Robust safeguarding policy in place for residents and staff.

ABBNEYFIELD SOUTH DOWNS LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

	<ul style="list-style-type: none">• Active Board engagement with Abbeyfield Society at a national level.• Independent maintenance survey commissioned; 10-year planned maintenance programme adopted, with review underway.
People Risk	
Risk: Organisational effectiveness may be compromised without skilled and supported staff and volunteers.	Mitigation: <ul style="list-style-type: none">• Central focus on staff/tenant wellbeing.• Policies and procedures in place to uphold health and safety standards.• Policies and procedures in place to ensure employment rights and equality• Committed to the Living Wage Foundation recommendation• The board regularly evaluates its composition and diversity to ensure adequate oversight and strategic support.

Reserves Policy

The Charity maintains a reserves policy to ensure financial resilience and continuity of service. Unrestricted cash funds not designated for specific use are held at a level equivalent to at least three months' anticipated operating expenditure.

The Board considers this level of reserves sufficient to safeguard core activities in the event of a significant drop in income, allowing time to explore alternative funding sources or operational adjustments. The adequacy of reserves is reviewed quarterly by the Finance Sub-Committee, which reports directly to the full Board.

In addition to this core policy, the Board has discussed the need for a supplementary provision relating to Holdenhurst. Given the increased risk of latent defects following the liquidation of the main contractor, a thorough investigation and remedial works have been completed. However, recognising the potential for future issues, the Board proposes setting aside a sum to initiate a sinking fund for Holdenhurst. This fund would ordinarily be built up over time to cover long-term maintenance and unforeseen costs associated with a new building.

As of 7 August 2024, the Board has agreed to designate £550,000 as operational reserves and £450,000 specifically for Holdenhurst.

ABBNEYFIELD SOUTH DOWNS LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

Financial Review

Abbeyfield South Downs' financial position stabilised during the year, supported by improved occupancy, modest income growth, and cost control. Total turnover increased to £2.13 million (2024: £1.95 million), while operating expenditure rose to £2.2 million (2024: £2.08 million), reflecting inflationary pressures linked to cost-of-living increases, sustained investment in staffing, and repairs and improvements to the housing properties.

The operating deficit narrowed to £77.2K (2024: £134.7K), driven by cost containment and improved occupancy. By year-end, ASD achieved 95% occupancy across its available housing stock, enhancing rental income and reducing void losses. This operational recovery contributed to a positive EBITDA, indicating that core activities are generating cash before financing and depreciation.

Cash at bank stood at £60.1K, with an additional £1.74 million held in short-term deposits. Long-term liabilities of £4.42 million (excluding housing grant) represent a manageable position relative to net assets of £10.44 million, with £2k in restricted funds. A post-balance sheet event, the sale of Abbeyfield Alfriston, generated an additional £625K before legal fees, further strengthening the company's liquidity.

Abbeyfield South Downs remains a going concern, with unrestricted reserves and interest income from deposits providing resilience against short-term fluctuations. The organisation continues to review its strategic options and remains committed to maintaining safe, secure housing and responsible financial management.

The Board recognise that, following our substantial growth of 112%, our current development capacity remains constrained. While core operations are generating positive cash flow, operating costs continue to exceed turnover, and inflationary pressures persist.

The Board further acknowledges that future expansion must be approached with strategic caution. Investments will be considered only where they align with ASD's charitable values, operational strengths, occupancy performance, and long-term sustainability. The organisation remains focused on sequencing growth carefully to avoid overextension and continues to monitor financial and operational indicators to ensure that any development is both viable and aligned with the charity's purpose.

Value for Money Statement – Year Ended 31 March 2025

Value for Money (VFM) is about being effective in how we plan, manage and operate the charity. It requires making the best use of the resources available to us to provide high-quality homes that enhance the quality of life for our tenants, along with excellent services and support.

ABBEYFIELD SOUTH DOWNS LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

The Regulator for Social Housing (RSH) issued a Value for Money Standard in April 2017 and a Technical Note in April 2018. Seven metrics were identified against which social housing providers are expected to report their performance in the annual report. The latter document acknowledges that the metrics may not be suitable for all providers, and any influencing factors should be explained in the commentary.

RSH Metric	2025	2024
1 Reinvestment %	0.8%	0.6%
2 New supply delivered %	0.0%	0.0%
3 Gearing %	16.2%	15.8%
4 EBITDA MRI interest cover %	63.9%	43.2%
5 Headline social housing cost per unit	18,446	16,909
6 Operating Margin %		
A. Operating Margin (social housing lettings only) %	-3.6%	-6.9%
B. Operating Margin (overall)%	0.0%	0.0%
7 Return on capital employed (ROCE) %	-0.4%	-0.7%

Basis for Metrics

1. Reinvestment % – investment in properties as a % of total properties held.
2. New supply delivered – new social housing units delivered ÷ total units owned.
3. Gearing % – net debt ÷ housing properties.
4. EBITDA MRI interest cover % – EBITDA ÷ interest payable.
5. Headline social housing cost per unit – costs ÷ units (126).
6. Operating margin % – operating surplus/(deficit) ÷ turnover.
7. ROCE % – operating surplus ÷ total assets less current liabilities.

Commentary

- Reinvestment rose modestly to 0.8% in 2025, up from 0.6% in 2024. While still below sector averages, this increase reflects our cautious return to asset investment following a period of rapid organisational growth. Our focus remains on maintaining and improving existing stock, with reinvestment decisions guided by tenant need, safety, and long-term value.
- No new homes were delivered in either 2024 or 2025. This demonstrates a strategic pause following our 112% growth between 2022 and 2024, allowing us to consolidate operations, embed quality standards, and ensure sustainable service delivery across our expanded footprint.

ABBNEYFIELD SOUTH DOWNS LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

- Gearing increased slightly to 16.2%, up from 15.8%. This remains comfortably below sector risk thresholds, signifying prudent borrowing to support operational resilience.
- Our EBITDA MRI interest cover improved significantly to 63.9%, up from 43.2% in 2024. This marks a positive shift in cash flow and operational efficiency.
- Our headline social housing cost per unit rose to £18,446 in 2025, reflecting both inflationary pressures and the distinctive nature of our service model.

This enhanced model inevitably carries higher operating costs, but it delivers significant social value and aligns fully with our charity's purpose and public benefit obligations. We continue to monitor cost efficiency while safeguarding the quality of our services.

- Operating margins, while still negative for social housing lettings, have improved year-on-year, narrowing from -6.9% to -3.6%. This confirms our ongoing efforts to stabilise finances following a period of rapid expansion and indicates improved cost control.

The overall operating margin remains at 0.0%, indicating a break-even position. This reflects the financial realities of delivering enhanced housing services within constrained funding environments. We continue to pursue efficiencies while safeguarding quality.

- ROCE remains negative at -0.4%, a slight improvement from -0.7% in 2024. This highlights the challenge of generating financial returns from socially focused assets. Our priority remains long-term value creation through safe, inclusive, and comfortable housing — not short-term profit.

The Board continues to scrutinise VFM through regular review of management accounts, KPIs and operational reporting. Unit costs and margins are closely monitored in relation to our distinctive housing model.

Governance

The Board of Trustees, who are also the directors for the purpose of company law, and who served during the year, are set out on page 1. Each member is recruited for their relevant experience and skills to provide substantive support to the management team. The directors manage the charity in accordance with the company's Memorandum and Articles of Association dated 1 December 2019. None of the Board of Trustees members has any beneficial interest in the company. All members of the Board of Trustees are members of the company.

Appointments to the Board of Trustees are proposed and ratified during regular Board meetings, with co-option permitted before formal approval where appropriate. Trustees are recruited through a combination of invitations and public advertisements, ensuring a broad reach and a diverse pool of candidates.

ABBNEYFIELD SOUTH DOWNS LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

All Trustees with regular access to tenants undergo Disclosure and Barring Service (DBS) checks and are required to provide two references, in line with safeguarding best practice. New trustees receive a comprehensive induction aligned with the charity's Trustee Induction Process, which covers governance responsibilities, operational context, and a dedicated briefing on the Abbeyfield ethos. Trustees are also granted access to the Directors' Information folder via the charity's shared cloud storage, providing key reference materials.

Ongoing development is supported through optional training on request, with thematic Board-wide sessions delivered where there is shared interest. The Board continues to strengthen its approach to skills and diversity appraisal, recognising the value of inclusive and strategically balanced governance.

The Board of Trustees convenes quarterly to review operational performance and assess progress against the charity's strategic objectives. These meetings ensure that the charity's operations and development activities continue to align with its established policies and values. As part of its governance role, the Board is responsible for approving any proposed changes to operational policies. It also oversees all major expenditure decisions, maintaining financial accountability and ensuring that resource allocation supports the charity's mission and long-term sustainability.

The Board of Trustees is committed to ensuring that staff feel valued and appropriately rewarded for their contribution to the charity's work. As part of this commitment, Abbeyfield South Downs has adopted the Living Wage Foundation's voluntary 'living wage' standard. Pay awards are approved annually by the Board as part of the broader budget-setting process.

The remuneration of senior staff is overseen by an ad-hoc Remuneration Committee, chaired by the Chair of the Board. Following its review of relevant factors, including performance, benchmarking data, and sector comparisons, the Committee makes recommendations to the Board, which considers and approves them as part of its governance responsibilities.

The charity is a member of Abbeyfield England (AE), a national body supporting affiliated societies within the charitable housing sector. As part of this membership, the charity benefits from access to timely updates on sector-wide developments, shared good practice, and professional services designed to support operational and strategic delivery. These services enhance the charity's ability to remain responsive to emerging trends and regulatory shifts. An annual membership fee is paid to AE in recognition of the services provided.

The charity operates in accordance with the Governance and Financial Viability Standard (April 2015) issued by the Regulator for Social Housing. Additionally, it adheres to the principal recommendations outlined in the 2015 National Housing Federation Code of Governance, ensuring sound leadership, financial oversight, and accountability across all activities. As a smaller charity, it also adheres to the principles of the Code of Governance for Smaller Charities. This dual alignment supports

ABBNEYFIELD SOUTH DOWNS LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

proportionate, mission-focused governance while upholding sector best practice.

Statement of Responsibilities of the Board of Trustees

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable legislation and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice). Company law and social housing legislation require that financial statements be prepared for each financial year. In accordance with company law, the Trustees must not approve the financial statements unless satisfied that they provide an accurate and fair view of the charitable company's affairs, including its incoming resources and their application, as well as the income and expenditure for that period.

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

- Select suitable accounting policies and apply them consistently
- Make reasonable and prudent judgements and accounting estimates
- Prepare the financial statements on a going-concern basis unless it is inappropriate to presume the charitable company will continue in operation

The Trustees are also responsible for maintaining adequate accounting records that are sufficient to:

- Accurately reflect and explain the charitable company's transactions.
- Disclose its financial position with reasonable accuracy at any time.
- Ensure compliance with the Companies Act 2006, the Housing and Regeneration Act 2008, and the Accounting Direction for Registered Providers of Social Housing in England 2019.

In addition, Trustees are responsible for safeguarding the assets of the charitable company and taking reasonable steps to prevent and detect fraud and other irregularities.

Statement of Disclosure to the Auditor

Each Trustee in office at the date of approval of this report confirms that:

- So far as they are aware, there is no relevant audit information of which the charity's auditors are unaware.
- They have taken all reasonable steps necessary to ensure they are aware of such information, and to establish that the charity's auditors are also aware of it.

ABBNEYFIELD SOUTH DOWNS LIMITED

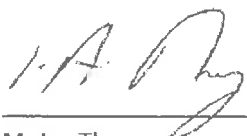
REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

Auditor

The Trustees resolved to reappoint Lindeyer Francis Ferguson Limited as the company's auditor for the year ended 31 March 2025.

In preparing this report, the Trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Board of Trustees on **2 October 2025** and signed on their behalf by:



Mr Ian Thomas
Chairman of Trustees

ABBNEYFIELD SOUTH DOWNS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ABBNEYFIELD SOUTH DOWNS LIMITED

Opinion

We have audited the financial statements of Abbeyfield South Downs Limited (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of comprehensive income, the statement of changes in reserves, the balance sheet, the statement of cashflows and notes to the financial statements, including 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 association's affairs as at 31 March 2025 and of 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 Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022.

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 financial statements are authorised for issue.

ABBNEYFIELD SOUTH DOWNS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ABBNEYFIELD SOUTH DOWNS LIMITED

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 other information comprises the information included in the annual report, other than the financial statements and our auditor's 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.

Opinions on other matters 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 report of the board of trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the report of the board of trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the report of the board of trustees.

We have nothing to report in respect of the following matters in relation to which 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

ABBEYFIELD SOUTH DOWNS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ABBEYFIELD SOUTH DOWNS LIMITED

- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit ; or
- the board were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Responsibilities of the board

As explained more fully in the board's responsibilities statement the board (who are also the directors of the association for the purposes of charity 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 board 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 board is 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 board either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Auditor's 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined below, 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 framework applicable to the preparation of the financial statements of the Charity, and the procedures that management adopt to ensure compliance. We have considered the extent to which non-compliance might have a material effect on the financial statements, and in particular we identified the Companies Act 2006, the Housing and

ABBNEYFIELD SOUTH DOWNS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ABBNEYFIELD SOUTH DOWNS LIMITED

Regeneration Act 2008, and the Accounting Direction for Private Registered Providers of Social Housing 2019, and the procedures that management adopt to ensure compliance, including those relating to the Housing SORP 2018.

We have also identified other laws and regulations that do not have a direct effect on the amounts or disclosures within the financial statements, but for which compliance is fundamental to the charity's operations and to avoid material penalties, including GDPR, health and safety, employment law, and fundraising regulations.

Having reviewed the laws and regulations applicable to the charity, we designed and performed audit procedures to obtain sufficient appropriate audit evidence. Specifically, we:

- Assigned an engagement team to the audit with particular familiarity in dealing with registered providers of social housing;
- Obtained an understanding of the charity's procedures for ensuring compliance with laws and regulations;
- Obtained and reviewed internal policy and procedure documents;
- Made enquiries of management and the trustees regarding whether they were aware of any actual or suspected incidences of non-compliance with laws and regulations;
- Obtained and reviewed meeting minutes;
- Reviewed legal expenses accounts for indications of any possible non-compliance; and
- Reviewed the completeness and accuracy of any disclosures made in the financial statements.

We assessed the susceptibility of the charity's financial statements to material misstatement, including considering how fraud might occur. This was performed by:

- We obtained the Board of Trustees' assessment of fraud risk and enquired as to any known or suspected instances of fraud;
- We considered whether management have incentives and opportunities to manipulate financial results (including overriding controls) and determined that the key risks related to the non-compliance with the Housing SORP 2018 in terms of component accounting in previous years, completeness of income, completeness of creditors, non-depreciation of properties in previous years and the risk of management override;
- We obtained 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 charity's internal control;
- We tested journal entries to identify unusual transactions; and
- We designed and performed audit procedures to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations, including enquiry of the Board of Trustees, review of minutes and correspondence, and review of the completeness and accuracy of disclosures made in the financial statements.

ABBNEYFIELD SOUTH DOWNS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ABBNEYFIELD SOUTH DOWNS LIMITED

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 auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.


Jonathan Healey BA FCA (Senior statutory auditor)
for and on behalf of

Date: 3 October 2025


Lindsey Francis Ferguson Limited
Statutory Auditors
North House
198 High Street
Tonbridge
Kent TN9 1BE

ABBNEYFIELD SOUTH DOWNS LIMITED

STATEMENT OF COMPREHENSIVE INCOME **FOR THE YEAR ENDED 31 MARCH 2025**

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Turnover	2	2,131,621	-	2,131,621	1,945,206	-	1,945,206
Operating expenditure	2	(2,208,789)	-	(2,208,789)	(2,079,863)	-	(2,079,863)
Operating deficit		(77,168)	-	(77,168)	(134,657)	-	(134,657)
Interest receivable		73,636	-	73,636	33,775	-	33,775
Investment income		31,144	-	31,144	126,143	-	126,143
Other income		-	-	-	194	-	194
Gift of assets from merging societies	21	-	-	-	2,226,303	2,000	2,228,303
Surplus on ordinary activities for the year and total comprehensive income		27,612	-	27,612	2,251,758	2,000	2,253,758

The accounts were approved by the Board of Trustees on 2 October 2025


 Mr I Thomas
 Chairman

ABBNEYFIELD SOUTH DOWNS LIMITED

STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 MARCH 2025

	<i>Restricted Income and expenditure reserve £</i>	<i>Unrestricted Income and expenditure reserve £</i>	<i>Endowment reserve £</i>	<i>Total £</i>
Balance at 1 April 2023	-	7,919,654	236,737	8,156,391
Total comprehensive income for the year	2,000	2,251,758	-	2,253,758
Transfer from endowment reserves	-	3,384	(3,384)	-
Balance at 31 March 2024 and 1 April 2024	2,000	10,174,796	233,353	10,410,149
Total comprehensive income for the year	-	27,612	-	27,612
Transfer from endowment reserves	-	3,384	(3,384)	-
Balance at 31 March 2025	2,000	10,205,792	229,969	10,437,761

ABBNEYFIELD SOUTH DOWNS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2025

		2025		2024	
	Notes	£	£	£	as restated £
Fixed assets					
Tangible fixed assets	7		17,376,092		17,443,173
Investments	8		927,398		971,275
			<u>18,303,490</u>		<u>18,414,448</u>
Current assets					
Debtors	9	90,047		22,504	
Cash at bank and in hand		60,101		1,133,456	
Short term cash deposits		1,743,077		859,653	
Investments	10	109,295		78,151	
		<u>2,002,520</u>		<u>2,093,764</u>	
Creditors: amounts falling due within one year	11	(305,419)		(320,029)	
Net current assets			<u>1,697,101</u>		<u>1,773,735</u>
Total assets less current liabilities			<u>20,000,591</u>		<u>20,188,183</u>
Creditors: amounts falling due after one year	13		(9,562,830)		(9,778,034)
Net assets			<u><u>10,437,761</u></u>		<u><u>10,410,149</u></u>
Reserves					
Income and expenditure reserve	18		10,205,792		10,174,796
Restricted Income and expenditure reserve	20		2,000		2,000
Endowment reserves	19		229,969		233,353
			<u><u>10,437,761</u></u>		<u><u>10,410,149</u></u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Board of Trustees on 2 October 2025



Mr I Thomas
Chairman

Company registration number: 00736150

ABBEYFIELD SOUTH DOWNS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

		2025 £	2024 £
Net cash generated from operating activities	A	223,871	2,476,104
Cash flow from investing activities			
Purchase of tangible fixed assets		(272,234)	(1,593,545)
Purchase of Investments		-	(1,049,426)
Investment income		-	126,143
Interest received		73,636	33,775
Net cash used in investing activities		(198,598)	(2,483,053)
Cash flow from investing activities			
Grants received		(67,674)	(67,674)
Loans repaid		(147,530)	(190,028)
Net cash provided by investing activities		(215,204)	(257,702)
Net increase in cash and cash equivalents and change in net funds		(189,931)	(264,651)
Cash and cash equivalents at the beginning of the year		1,993,109	2,257,760
Cash and cash equivalents at the end of the year		1,803,178	1,993,109
Cash and cash equivalents consists of:			
Short term cash deposits		1,743,077	859,653
Cash at bank and in hand		60,101	1,133,456
		1,803,178	1,993,109

A. Reconciliation of net cash generated from operating activities

	£	£
Cash flow from operating activities		
Surplus for the year	27,612	2,253,758
Adjustments for non cash items:		
Depreciation	333,705	312,564
Increase in debtors	(67,543)	(8,136)
(Decrease)/increase in creditors	(14,610)	107,236
Decrease in provisions	-	(29,400)
Unrealised loss on investments	43,877	-
Investment income	(31,144)	-
Loss on disposal of fixed assets	5,610	-
Adjustments for investing or financing activities:		
Investment income	-	(126,143)
Interest receivable	(73,636)	(33,775)
Cash generated from operating activities	223,871	2,476,104

ABBEYFIELD SOUTH DOWNS LIMITED

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

1 Accounting policies

1.1 Legal status

Abbeyfield South Downs Limited is a private company limited by guarantee incorporated in England and Wales and is a registered housing provider. The registered office is Holdenhurst, Mill Road, Heathfield, East Sussex, TN21 0GG.

1.2 Basis of preparation

The financial statements of the charity 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 in England 2019. The charity is a public benefit entity as defined by FRS 102.

The accounts have been prepared on the historical cost convention, modified to include certain items at fair value.

The financial statements are presented in pounds sterling and rounded to the nearest pound.

The principal accounting policies adopted are set out below.

1.3 Income

Income is measured at the fair value of the consideration received or receivable net of VAT.

Turnover represents rental income receivable in the year net of losses from voids. Rental income is recognised in the period the rents fall due.

Income from government grants is recognised as turnover when the charity is entitled to the funds, the receipt is probable and the amount can be measured reliably. This is usually when a formal offer is made in writing.

1.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under the headings that classify all costs related to the category. Expenditure is inclusive of VAT.

ABBNEYFIELD SOUTH DOWNS LIMITED

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

1 Accounting policies (continued)

1.5 Charitable funds

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

Endowment reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Revenue and expenditure cannot be directly set against endowment reserves but is taken through the Statement of Comprehensive Income.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets, other than freehold land, are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

Housing Properties

Housing properties are held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses. Costs include the cost of acquiring land and buildings, development costs, and interest charges incurred during the development period.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised.

Depreciation is provided on housing properties, excluding land, so as to write off the net cost less estimated residual value of each asset over its remaining estimated useful life. Major components are treated as separable assets and depreciated over their expected useful economic lives or the lives of the structure to which they relate, if shorter, as follows:

Freehold buildings	-	50 - 80 years straight line
Roofs	-	40 - 50 years straight line
Windows	-	25 - 40 years straight line
Kitchens	-	10 - 20 years straight line
Bathrooms	-	10 - 33 years straight line
Lifts	-	15 years straight line
Heating systems	-	33 years straight line

ABBEYFIELD SOUTH DOWNS LIMITED

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

1 Accounting policies (continued)

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

Other fixed assets

Depreciation is provided on other fixed assets, so as to write off the net cost less estimated residual value of each asset over its remaining estimated useful life as follows:

Fixtures, fittings and equipment	-	10 years straight line
----------------------------------	---	------------------------

1.7 Impairment of fixed assets

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. Where indicators are identified, an assessment for impairment is undertaken comparing the carrying amount to its recoverable amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in expenditure through the Statement of Comprehensive Income.

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.

1.9 Short term cash deposits

Short term cash deposits is cash that has been deposited with original maturities of more than three months but at the balance sheet date has a maturity of less than one year.

1.10 Financial instruments

The charity only has financial instruments which are classified as basic financial instruments.

Short-term debtors and creditors are measured at the settlement value. Any losses from impairment are recognised in income and expenditure.

Long-term debtors and creditors are measured at the settlement value. Any losses from impairment are recognised in income and expenditure.

Loans and borrowings are initially recorded at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method.

ABBNEYFIELD SOUTH DOWNS LIMITED

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

1 Accounting policies (continued)

1.11 Retirement benefits

The Charity operated a defined contribution pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the Scheme.

1.12 Government grants

Government grants include grants receivable from Homes England (HE), local authorities, and other government organisations. Government grants received for housing properties are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model.

2 Turnover and costs

	2025 £	2024 £
Rent receivable		
Social housing	2,446,501	2,046,845
General housing	30,621	26,368
Void losses		
Social housing	(414,660)	(201,259)
Amortised government grants	68,074	68,074
Turnover from housing lettings	2,130,536	1,940,028
Income from other activities		
Sundry	1,085	5,178
Total	2,131,621	1,945,206
Operating costs from social housing activities:		
Management expenses	1,118,295	1,009,165
Property maintenance and refurbishment costs	158,362	153,091
Depreciation of housing properties	287,025	266,879
Other costs	645,107	650,728
Total	2,208,789	2,079,863
Net deficit from housing activities	(77,168)	(134,657)

ABBNEYFIELD SOUTH DOWNS LIMITED

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

3	(Deficit)/surplus on ordinary activities	2025	2024
		£	£
	This is stated after charging:		
	Depreciation of housing properties	287,025	266,879
	Depreciation of other tangible assets	46,680	45,685
	Auditors' remuneration for audit	10,800	11,700
	Auditors' remuneration for non-audit services	5,886	5,400
4	Staff costs and key management personnel	2025	2024
		£	£
	Wages and salaries	643,871	628,416
	Social security costs	39,346	38,621
	Other pension costs	16,654	14,456
		699,871	681,493

During the year redundancy payments of £8,853 (2024: £Nil) were made following the closure of Abbeyfield House, North Road, Alfriston.

The average number of employees for the year based on monthly headcount is as follows:

	2025	2024
	Number	Number
Housekeeping	41	39
Administration	3	3
	44	42

The average number of employees for the year based on full time equivalent was 13 (2024: 13)

ABBNEYFIELD SOUTH DOWNS LIMITED

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

5 Board and key management personnel remuneration

None (2024: none) of the trustees were reimbursed for any expenses.

A child of a trustee was employed during the year, the total remuneration, including social security and pension costs, for this employee amounted to £2,467 (2024: £Nil)

The total remuneration, including social security and pension costs, for key management personnel amounted to £155,766 (2024: £159,233).

The Chief Executive and General Manager received contributions into a defined contribution pension scheme. Contributions payable for the year were £6,458 (2024: £3,388).

5 Board and key management personnel remuneration (continued)

The number of employees whose total employee benefits excluding pension contributions earning over £60,000, classified within bands of £10,000 is as follows:

	2025	2024
£60,000 – £69,999	1	1
	1	1

6 Taxation

The Society, having exempt charitable status, is not liable to taxation.

ABBNEYFIELD SOUTH DOWNS LIMITED

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

7 Tangible fixed assets

	<i>Housing Properties</i>	<i>Fixtures, fittings and equipment</i>	<i>Total</i>
	£	£	£
Cost			
At 1 April 2024	18,297,127	583,522	18,880,649
Additions	222,757	49,477	272,234
Disposals	-	(29,378)	(29,378)
At 31 March 2025	18,519,884	603,621	19,123,505
Depreciation			
At 1 April 2024	1,152,435	285,041	1,437,476
Charge for the year	287,025	46,680	333,705
Eliminated on disposals	-	(23,768)	(23,768)
At 31 March 2025	1,439,460	307,953	1,747,413
Net book value			
At 31 March 2025	17,080,424	295,668	17,376,092
At 31 March 2024	17,144,692	298,481	17,443,173

ABBNEYFIELD SOUTH DOWNS LIMITED

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

8 Investments

	<i>COIF Investment Fund £</i>	<i>COIF Ethical Investment Fund £</i>	<i>Total £</i>
Cost or valuation			
At 31 March 2024	641,403	329,872	971,275
Interest and dividends received	17,444	9,351	26,795
Transfer to current investments	(17,444)	(9,351)	(26,795)
Change in market value	(29,884)	(13,993)	(43,877)
At 31 March 2025	611,519	315,879	927,398
Carrying amount			
At 31 March 2025	611,519	315,879	927,398
At 31 March 2024	641,403	329,872	971,275

9 Debtors: amounts falling due within one year

	<i>2025 £</i>	<i>2024 £</i>
Rent and service charges receivable	15,318	9,272
Prepayments and accrued income	74,729	13,232
	90,047	22,504

10 Current asset investments

	<i>2025 £</i>	<i>2024 £</i>
Unlisted Investments	109,295	78,151

Current asset investments comprise of a COIF Charities Deposit Fund of £109,295 (2024 - £78,151). This is part of the overall Deposit Fund which is retained for working capital purposes.

ABBNEYFIELD SOUTH DOWNS LIMITED

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

11 Creditors: amounts falling due within one year

	2025	2024 <i>as restated</i>
	£	£
Government grants	77,142	77,542
Trade creditors	34,930	63,587
Rent and service charges received in advance	30,428	28,014
Accruals and deferred income	11,942	12,842
Bank loans	147,682	136,240
Other creditors	3,295	1,804
	<u>305,419</u>	<u>320,029</u>

12 Deferred grant income

	2025	2024
	£	£
At 1 April 2024	5,288,418	5,356,492
Released to income in the year	(68,074)	(68,074)
At 31 March 2025	<u>5,220,344</u>	<u>5,288,418</u>

The movements on recycled capital grant is as follows:

	2025	2024
	£	£
At 1 April 2024	4,548,215	4,606,525
Released to income in the year	<u>(58,310)</u>	<u>(58,310)</u>
At 31 March 2025	<u>4,489,905</u>	<u>4,548,215</u>

ABBNEYFIELD SOUTH DOWNS LIMITED

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

13 Creditors: amounts falling due after one year

	2025	2024 <i>as restated</i>
	£	£
Bank loans	4,419,628	4,567,158
Government grants	5,143,202	5,210,876
At 31 March 2025	9,562,830	9,778,034

Grants due in more than one year relate to housing properties under development. These include £4,422,229 of Recycled Capital Grant Funds and £720,973 grant income received from Homes England. See Note 15 in relation to the development.

The Charity holds two long term loans, with a maximum facility of £5m. At the year end, £4,567,310 (2024 - £4,703,398) of this facility had been utilised.

14 Housing stock

	2025	2024
	£	£
The number of units in management at the end of the year were:		
General housing - social rent	3	3
Supported housing	120	120
	123	123

15 Financial commitments

Social Housing Grant was received in prior years totalling £40,129 in connection with work on improving one of the houses. This would be repayable if the relevant property is sold.

Further Social Housing funding was received for work on the new development, totalling £4.66m. This would be repayable if the relevant property is sold.

There is a fixed and floating charge on the properties and all assets held by Abbeyfield South Downs Limited, in relation to a long term third party loan. The amount owed under this guarantee at 31 March 2025 amounted to £4,567,310 (2024: £4,703,398).

16 Post Balance Sheet Event

On 2 June 2025, the charity completed the sale of a freehold property, Abbeyfield House, North Road, Alfriston. The sale proceeds were £625,000 before deduction of legal fees.

ABBEYFIELD SOUTH DOWNS LIMITED

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

17 Prior period adjustment

During the preparation of the financial statements it was noted that the split of loans in the prior year financial statements had incorrectly been made between current and non-current liabilities.

As a result of this, a prior period adjustment has been made to amend this split, with the effect on the comparative figures being to decrease creditors due within 1 year by £218,198 and increase creditors due within more than 1 year by £218,198. There is no effect on the charity's statement of comprehensive income nor its reserves as a result of this adjustment.

18 Unrestricted reserves

<i>Current year</i>	<i>Balance at 1 April 2024</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Balance at 31 March 2025</i>
	£	£	£	£	£
General funds	10,174,796	2,236,401	(2,208,789)	(996,616)	9,205,792
Designated funds					
Operational	-	-	-	550,000	550,000
Holdenhurst	-	-	-	450,000	450,000
Total designated funds	-	-	-	1,000,000	1,000,000
Total unrestricted funds	10,174,796	2,236,401	(2,208,789)	3,384	10,205,792

Designated funds

Transfers to designated funds represents funds set aside to be used as operational reserves and £450,000 specifically for Holdenhurst for the flat roof and the painted fascia boards.

ABBEYFIELD SOUTH DOWNS LIMITED

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

19 Endowment reserves

<i>Current year</i>	<i>Balance at 1 April 2024</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Balance at 31 March 2025</i>
	£	£	£	£	£
Permanent endowment					
Angus Lodge endowment fund	233,353	-	-	(3,384)	229,969
<i>Prior year</i>	<i>Balance at 1 April 2023</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Balance at 31 March 2024</i>
	£	£	£	£	£
Permanent endowment					
Angus Lodge endowment fund	236,737	-	-	(3,384)	233,353

The permanent endowment fund represents the funds of Angus Lodge Trust, a linked charity of the Abbeyfield South Downs Limited, that were applied in purchasing 28.2% of the freehold land and buildings at 3, 5 and 7 Cadogan Gardens Tunbridge Wells (Abbeyfield House). A transfer is made to income and expenditure reserve, in respect of depreciation on the property.

ABBNEYFIELD SOUTH DOWNS LIMITED

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

20 Restricted reserves

<i>Current year</i>	<i>Balance at 1 April 2024</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Balance at 31 March 2025</i>
	£	£	£	£	£
The Abbeyfield Worthing Society	2,000	-	-	-	2,000
<i>Prior year</i>	<i>Balance at 1 April 2023</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Balance at 31 March 2024</i>
	£	£	£	£	£
The Abbeyfield Worthing Society	-	2,000	-	-	2,000

21 Gifts of assets from merging societies

	The Abbeyfield Worthing	Total
Freehold properties	1,320,000	1,320,000
Fixed asset investments	898,283	898,283
Current asset investments	25,000	25,000
Cash	14,673	14,673
Other net liabilities	(29,653)	(29,653)
	2,228,303	2,228,303

In the prior year, The Abbeyfield Worthing Society transferred its operations to Abbeyfield South Downs Limited on 31 October 2023. Under the terms of the agreement the freehold property and a cash sum were gifted to Abbeyfield South Downs. The gifts were included at fair value.

ABBNEYFIELD SOUTH DOWNS LIMITED

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2025

	2025	2025	2024	2024
	£	£	£	£
Turnover				
Social housing lettings		2,031,841		1,845,586
General needs rent		30,621		26,368
Amortised government grants		68,074		68,074
Sundry		1,085		5,178
		<u>2,131,621</u>		<u>1,945,206</u>
Administrative expenses - management				
House staff costs	560,473		499,234	
Staff training & welfare	4,262		2,196	
Food and other household costs	222,557		173,573	
Water rates	13,012		14,959	
Council tax	17,810		16,986	
Electricity	60,898		60,998	
Gas	67,039		69,795	
Insurance	32,899		29,869	
Cleaning	18,701		14,522	
Advertising	21,086		24,784	
Lifeline	39,148		41,656	
Telephone	11,118		12,084	
Television licence	2,612		2,824	
Depreciation of fixtures and fittings	46,680		45,685	
		<u>(1,118,295)</u>		<u>(1,009,165)</u>
Administrative expenses - other				
Administrative staff costs	178,419		205,066	
Printing, postage and stationery	11,267		12,943	
Travelling expenses	3,182		4,035	
Legal and professional fees	7,653		29,417	
Auditors' non-audit fees	5,886		5,400	
Audit fees	10,800		11,700	
Affiliation fees	31,253		16,586	
Bank charges and interest paid	327,002		334,389	
Service contracts	15,532		26,220	
Unrealised losses on investments	43,877		-	
Loss on disposal of fixed assets	5,610		-	
Sundry expenses	4,626		4,972	
		<u>(645,107)</u>		<u>(650,728)</u>
Repairs and maintenance				
Routine maintenance	158,362		153,091	
Depreciation of housing properties	287,025		266,879	
		<u>(445,387)</u>		<u>(419,970)</u>
Interest receivable	73,636		33,775	
Investment income	31,144		126,143	
Gifts received	-		2,228,303	
Other income	-		194	
		<u>104,780</u>		<u>2,388,415</u>
Surplus for the year		<u>27,612</u>		<u>2,253,758</u>