

Company number: 00721891

THE ABBEYFIELD YORK SOCIETY LIMITED

(Charity Number 222424)

(Homes & Communities Registered Number H2055)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

31 March 2021

**HPH
Chartered Accountants
54 Bootham
York
YO30 7XZ**

THE ABBEYFIELD YORK SOCIETY LIMITED

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THE ABBEYFIELD YORK SOCIETY LIMITED
COMPANY INFORMATION

Executive Board	Mr P J Netherwood Mr D G Walker Mr J P Lewis Ogden Mrs S Hutchinson Mrs A M Baldwin Mr M Sargent Mr J D Owen Dr G R Porter Mrs E L Potrykus Mr A Dixon - appointed 21 September 2020	
Secretary	Mr J P Lewis Ogden	
Company Number	00721891	
Homes & Communities Registered Number	H2055	
Charity Number	222424	
Registered Office	Abbeyfield House Regency Mews Dringhouses York YO24 1LL	
Key Management Personnel	Society Manager Care Manager	Mrs C Newnham Mrs J Nicholson
Auditors	HPH Chartered Accountants and Registered Auditors 54 Bootham York YO30 7XZ	
Bankers	Barclays Bank plc Parliament Street York YO1 8RH	
Solicitors	Stamp Jackson & Procter Limited 4 Triune Court Monks Cross Drive Huntington York YO32 9GZ	

THE ABBEYFIELD YORK SOCIETY LIMITED

REPORT OF THE BOARD

The Trustees present their annual report together with the financial statements for the year ended 31 March 2021. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements of the company's governing document, the Statement of Recommended Practice for Social Landlords 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.

1. STRUCTURE, GOVERNANCE AND MANAGEMENT

1.1 Constitution

The Abbeyfield York Society Limited is registered as a company limited by guarantee (No. 00721891) and is governed by its Memorandum and Articles. The Abbeyfield York Society Limited is also a registered charity (No. 222424) and a registered social landlord whose activities fall wholly within the definition of hostel housing in the Housing Act 1996 (No. H2055).

The Abbeyfield York Society Limited is also the sole shareholder of Abbeyfield York Home Care Limited.

1.2 Organisational Structure and Decision-making

The directors of The Abbeyfield York Society Limited (Trustees) are responsible for agreeing the policies and strategic direction of the organisation. Operational matters are delegated to the Society Manager under the immediate oversight of the Board, which consist of nine Trustees. A development committee of four Trustees works with a Project Board, made up of Project Professionals to oversee delivery of the development project.

The Trustees met on five occasions during the year and the average attendance was seven trustees. New trustees are recruited generally through existing Trustee and organisational professional contacts. New Trustees are invited to meet with current members of the Board to explore skill areas and are then invited to attend a meeting before making a firm decision. The Abbeyfield Society produces a Trustee Induction Workbook and organise regular governance workshops. Three Trustees make up the Board of Abbeyfield York Home Care Limited.

1.3 Risk management

The Charity maintains a Risk Register. This is reviewed annually by the Trustees meeting as a Board. Governance and Risk is a standard agenda item at each Trustee meeting.

At the start of the financial year, the UK was still affected by Coronavirus. Management put in measures, following government guidance, which kept all residents and staff free of the infection. All guidelines are continuing to be followed.

1.4 Value for money

Our definition of value for money is: we aim to deliver our social objectives in the most cost effective way possible by:

Providing quality sheltered housing that is affordable for all. Providing the best service possible by making each resident feel valued and part of the Abbeyfield "family".

For us therefore, achieving value for money is about making the biggest difference that we can with limited resources available.

THE ABBEYFIELD YORK SOCIETY LIMITED

REPORT OF THE BOARD

2. REVIEW OF OBJECTIVES, ACTIVITIES AND RESULTS FOR THE YEAR

OBJECTIVES

Founded in 1962, the Abbeyfield York Society is a registered charity, a limited company by guarantee and a Homes England Registered Social Landlord. We provide accommodation with a high level of support for frail elderly people in the York area.

Our objectives are:

- *to carry on for the benefit of the community the provision and management of housing accommodation or such other assistance as the Charity shall from time to time by its Board of Directors determine for the relief and care of elderly persons suffering the difficulties and/or disabilities of old age or otherwise being in need*
- *to provide (whether by lease, purchase or otherwise) and maintain or assist in providing (whether by lease, purchase or otherwise) and maintaining houses, apartments and other homes for such elderly persons; and*
- *to provide or assist in providing amenities care and services for the benefit of such elderly persons.*

The fundamental principles of the Abbeyfield movement are to provide supportive services and accommodation to those living in our houses, so as to maximise both physical and emotional well-being. The friendship of others and the development of a caring community are important elements in the success of Abbeyfield houses.

By providing a high level of support and local accommodation, Abbeyfield aims to enable older people to maintain the role that they play in relation to families, friends and community, and to reduce the loneliness and insecurity from which many older people suffer. Because it involves volunteers, Abbeyfield also encourages individuals in local communities to play a part in helping elderly people in need.

Abbeyfield houses currently mostly support people over 75, and increasingly into their 90s, who are elderly and frail, but not in need of nursing care or extensive help with personal care. Our accommodation is particularly attractive to people who are finding catering and the maintenance of an independent home a strain. They are often suffering from a deteriorating condition such as heart disease, arthritis or problems with eyesight or hearing, which makes them anxious about the risk and effort of living alone. They may also be lonely, with little family or other support they can depend on, and this may have a serious effect on health.

The Abbeyfield approach has for many years filled a gap in provision between warden-supported housing and full residential or nursing care, which until recently has not been met by many other agencies. Once living in Abbeyfield, many residents live there to the end of their lives and do not need to move on to other, more intensive care.

The National Abbeyfield Society celebrated its 60th anniversary in 2016. It gives strong professional support to local societies, setting standards and providing advice for operating

Abbeyfield accommodation and support services. The York Society representatives regularly attend Abbeyfield Area meetings to participate in the sharing of good practice. A system of quality assessment, the Abbeyfield Core Standard, has been developed by the national Abbeyfield Society. The Abbeyfield Society provides guidance with operating policies across all areas of our service. These policies are designed to comply with relevant legal and regulatory obligations. The Trustees review all policies as and when they are due for revision to ensure that they match our local priorities and aspirations.

THE ABBEYFIELD YORK SOCIETY LIMITED

REPORT OF THE BOARD

OBJECTIVES - Continued

The Abbeyfield York Society was last assessed in relation to the Abbeyfield Quality Standard (as it was then) in 2015, and met the standard in all regards, and continues to work towards on-going improvement.

Abbeyfield York is recognised by the City of York Council Community Services Department as a provider of supported housing for frail elderly people in the York area. As a local housing association partner, the society receives regular information, attends meetings with the Council and other housing agencies and contributes to the development of the City's strategies and plans.

Our domiciliary care service, Abbeyfield York Home Care Limited, is registered with the Care Quality Commission and achieved a "Good" rating in all areas following its last inspection.

We believe that our main activities further our charitable purposes for the public benefit.

As Directors of The Abbeyfield York Society Limited, we believe that we have complied with the duty in section 17 (5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Our Houses & Support Services

The Abbeyfield York Society currently owns and runs 2 houses in York, for 31 residents, supported by 28 paid staff (mostly part-time) and approximately 15 volunteers.

Residents have exclusive use of a large bed-sitting room, which they furnish themselves. Each room has en-suite facilities, and there are bathrooms with special baths to assist bathing. The communal areas in each house include a lounge and dining areas, where residents meet as a household for meals. A particularly popular feature of our Abbeyfield houses is that high quality home-cooked meals are provided, and special diets are catered for.

Houses are equipped with a laundry for resident use, lifts, alarm-call and security systems. Both houses also have mini-kitchens where residents can make breakfast or snacks.

Both houses have attractive gardens, and are located close to local shops, churches, local transport routes and other neighbourhood services.

The weekly charge covers:

- Rent for own room and use of communal facilities
- Heating, lighting and water
- TV Licence
- Council tax
- Alarm and security systems
- Cleaning of communal areas
- Maintenance of house and gardens
- Staff management and support
- All meals, including associated staff costs

Regency Mews

Completed in October 1998, Abbeyfield House, Regency Mews, Dringhouses, accommodates 21 residents and is Abbeyfield York's first purpose-built house. It is located close to the library, church, shops and other neighbourhood and transport facilities on Tadcaster Road.

THE ABBEYFIELD YORK SOCIETY LIMITED

REPORT OF THE BOARD

OBJECTIVES – Continued

Each resident has their own very large bed-sitting room, (25m² plus en-suite) which they furnish themselves. Each room has a full en-suite WC/shower-room, for privacy, and convenience especially at night. There is lift access to all floors, spacious sitting and dining rooms, a respite room, a hair and beauty room, a laundry used by residents and special baths. The whole house is suitable for wheelchair users.

The garden has been designed to be attractive when seen from indoors, but also to encourage residents to be outdoors when the weather is suitable. These physical features, together with 24 hour staffing and an in house domiciliary care service, provide a very high level of support.

The building is designed for low maintenance, is extremely energy efficient and has many design features to meet the mobility and other needs of people with the many disabilities related to old age. The building has been built to “registered care home” standards, so that should regulatory or other circumstances change, it would be possible to register the house without further major changes.

12 Beckfield Lane

This house was the second house to be purchased by the Society, in 1964. In 1984, 14 Beckfield Lane was acquired and combined with number 12 to accommodate 10 residents, and a resident housekeeper. In 1999, the house was extensively remodelled to accommodate 10 residents, and provide en-suite bathrooms, a lift, alarm-call system and mini-kitchens. In 2019 a new lift and new alarm-call systems were installed, replacing the old.

The house is located close to the junction of Beckfield Lane and Wetherby Road, with a local shop and other facilities. It has a very attractive garden.

Over the last decade, the needs of prospective residents have changed and the house in Beckfield Lane does not always meet these needs. Many residents are moving to Abbeyfield much later in life than previously and this house cannot always accommodate their physical needs in terms of the space needed for mobility. Similarly, for others, 24 hour staff cover is required due to memory problems and frailty. However despite these limitations, the Beckfield Lane house still provides a comfortable happy home for a number of residents.

Current Staff

12 Beckfield Lane is staffed by three support staff who work on a rota and domestic staff. There is a period in the afternoon, and again in the evening, when no staff are present, and the warden call cover is used. In 2018, the overnight response service was also linked to the warden call service following employment changes associated with sleep in workers. This has not had any detrimental impact on the residents who were consulted about the change. This arrangement remains in place.

The society's manager and administrative staff work from the Abbeyfield York office at Regency Mews. There are no resident staff at Regency Mews but 24-hour support is provided by support assistants, catering and domestic staff.

The Society has a number of regular volunteers who enhance the sense of community within our houses. The volunteers primarily provide companionship for the residents, organise some social get-togethers and occasionally help with chaperone services for appointments. Our new volunteers are developing a refreshed programme of visits and social outings.

THE ABBEYFIELD YORK SOCIETY LIMITED

REPORT OF THE BOARD

OBJECTIVES – Continued

GOING CONCERN

After discussions with key management personnel, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue its activities for the foreseeable future. Although the impact of Coronavirus has been significant in terms of protecting the health of staff and residents, it has not had any major impact on the finances.

The charitable company's 3 year business plan shows that it will have adequate reserves and will be able to meet its liabilities. Accordingly, since there are no material uncertainties, the Trustees continue to adopt the going concern basis in preparing the financial statements as outlined in the Trustees' Responsibilities Statement.

OPERATIONAL AND FINANCIAL REVIEW

Having successfully gained planning consent, operations during the financial year have been shaped largely by moving ahead with the proposed development project. The building work, at Regency Mews, commenced in July 2021. This project went out to competitive tender in Autumn 2019 and we received final confirmation of funding before the start of the build. On-going fundraising remains a priority.

Operational Review

Management

Caroline Newnham was appointed as Society Manager in April 2018. Caroline has been employed by the York Society since 2000. Jane Nicholson was appointed as Care Manager in October 2018 and she brings a wealth of experience to this role. We have a dedicated staff team. Pay and remuneration of key personnel is reviewed annually by the Trustees. Salaries are benchmarked with similar roles within the Abbeyfield movement nationally and other organisations in the region.

Events and Activities

During the course of the year, Trustees and volunteers had to reduce the various events which would have normally be organised such as:

Coffee mornings, trips to garden centres and the summer strawberry teas. Regular communion services also take place along with informal social events such as films, talks, slideshows and visiting musical groups. A variety of Christmas events were also put on hold this year.

Our on-going aim in this area is to encourage involvement with the wider community, for example, knit and natter, local history group, visits for outside organisations. These will be started again once Covid restrictions are lifted and residents feel comfortable with such activities.

Financial Review

The results for the year are set out in the 'Statement of Comprehensive Income' on page 14 and supporting notes to the accounts. 2020/21 was a fairly settled year, resident number wise, with an increase in the number of voids as new residents could not move in during the Covid restrictions.

THE ABBEYFIELD YORK SOCIETY LIMITED

REPORT OF THE BOARD

OPERATIONAL AND FINANCIAL REVIEW - Continued

As our residents' average age increases we anticipate periods with voids. However, regular review of the waiting list has helped to minimise the impact of this. Maintenance also remained high as the Regency Mews property as items need replacing. This year, a small deficit is reported after donations and legacies and finance costs.

The trading subsidiary Abbeyfield Home Care Limited made a small profit and all this was gifted to the charity.

	12 Months to 2021	12 Months to 2020	12 months to 2019	12 months to 2018	12 months to 2017
	£	£	£	£	£
Gross charges	481,021	476,193	468,917	444,368	439,728
Voids deducted	22,206	13,336	15,894	28,540	15,155
Sundry income	7,239	6,664	19,016	15,599	18,297
Grants received	8,660	2,311	2,311	2,311	2,311
TOTAL Trading Income	474,714	471,832	474,350	433,738	445,181
Donations #	10,860	20,421	25,807	14,060	7,966
Investment income	447	1,526	1,452	545	5,219
Total Income	486,021	480,443	501,609	448,343	458,356
Average void %	4.62	2.80	3.39	6.42	3.44
Total expenditure	489,462	471,895	450,808	429,936	420,616

Including Gift Aid and Abbeyfield York Home Care Limited's donation

The Board consider the Society's affairs to be satisfactory especially in light of the exceptional Covid crisis.

Reserves Policy

It is our policy to maintain Unrestricted General Funds at a level which represents at least 1 years operational expenditure. Taking into account the experience of recent years' expenditure, that amounts to approximately £500,000. In deciding on holding 1 years Unrestricted General Fund Reserves, we have regard to the costs that would be involved in closing both homes, should the financial position become untenable. The Unrestricted General Funds at 31 March 2021 were £2,392,390, of which the net equity in Housing Properties amounts to £1,769,470 so that the amount of free reserves is £622,920. The trustees consider this position to be satisfactory.

THE ABBEYFIELD YORK SOCIETY LIMITED

REPORT OF THE BOARD

PLANS FOR THE FUTURE

Future Developments

We are planning to complement our existing service by adding 25 extra care apartments. The mix of one and two bed apartments, aimed at those aged 75+, will be offered for sale, shared ownership and affordable rent and will introduce a dementia housing service. It is a scheme designed specifically to cater for people who need varying degrees of support – ranging from a high level for those with dementia and lower levels for those who are more independent. Importantly, it will be flexible enough to accommodate individual needs as they change.

Reducing loneliness has a positive impact on health and wellbeing and we want to ensure that older people in the area can continue to experience what Abbeyfield has to offer, and also to reach out to those in the local community who might be experiencing loneliness. We aim to create a dynamic community where our residents can live independently but also access opportunities to socialise and forge strong relationships with others. The new scheme will increase our communal facilities.

The new development will offer different tenure options and the introduction of a dementia housing service (8 of the 25 units) will enable us to improve the outcomes for older people with dementia by providing a more supported and stimulating environment for them.

The 25 units will comprise 6 x 2 bed apartments which will be for sale, 11 x 1 bed social rent apartments and 8 x 1 bed dementia housing apartments, also at a social rent. Each flat will be approximately 50m² in the case of the 1 bed apartments and 60m² for the 2 bed apartments. They will all be wheelchair accessible and the design will incorporate many Stirling University dementia design principles and HAPPI considerations. There will also be communal spaces, assisted bathrooms and landscaped gardens.

It is proposed to try to achieve a community where people of different ages and disability are able to offer support and fellowship to each other.

For those market sale and shared ownership apartments, there will be a service charge which will include:

- Exterior maintenance, including window cleaning and provision of a sinking fund for major repairs.
- Interior maintenance, including heating services, and other services, e.g. fire systems, lift maintenance etc.
- Gardens and grounds maintenance.
- Use of and cleaning of common areas in both buildings, even more so since Covid-19.
- Buildings insurance.

Residents will each be responsible for council tax, water and gas/electricity charges.

BOARD MEMBERS

The members of the Board who served during the year ended 31 March 2021 are set out on page 1 under company information. Trustees are invited to serve by the existing Board based upon their experience and interests. Members of the Board retire on a three year rota. This year at the Annual General Meeting the following members offer themselves for re-election:

David Walker

Michael Sargent

Anthony Dixon also joined the Board during the year and offers himself for election at the Annual General Meeting.

THE ABBEYFIELD YORK SOCIETY LIMITED

REPORT OF THE BOARD

AUDITORS

The auditors, HPH, were appointed during the year and have indicated their willingness to continue in office.

ACCOUNTING POLICIES

The detailed accounting policies adopted to further our objectives are set out in note 2 to the financial statements. There have been no material changes to these policies in the year.

INVESTMENT POLICY AND PERFORMANCE

The current investment policy is to hold all funds on bank deposit so as to be available to meet needs as they arise.

THANKS

The Trustees are grateful to everyone who has supported our work during the difficult year of the Covid-19 pandemic, in particular the Manager, the Care Manager, and all Staff, many of whom put in extra hours covering for colleagues during the lockdown to keep residents safe. Also, to the residents themselves for their stoicism and patience during the very difficult lockdown periods.

THE ABBEYFIELD YORK SOCIETY LIMITED

REPORT OF THE BOARD

STATEMENT OF THE BOARD'S RESPONSIBILITIES

Registered Social Landlord legislation requires the Board to prepare financial statements for each year which give a true and fair view of the state of the affairs of the Society as at the end of the financial year and the income and expenditure of the Society for the year ended on that date. In preparing those financial statements, suitable accounting policies have been used, framed, to the best of the Board's knowledge and belief, by reference to reasonable and prudent judgements and estimates and applied consistently. Applicable accounting standards have been followed. The Board is also required to indicate where the financial statements have been prepared other than on the basis that the Society is a going concern.

The Board is responsible for ensuring that arrangements are made for keeping proper books of account with respect to the Society's transactions and its assets and liabilities and for maintaining a satisfactory system of control over the Society's books of account and transactions.

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

The annual report was approved by the Trustees of the charity on 22 September 2021 and signed on its behalf by:

.....
Mr D G Walker
Trustee

.....
Dr G R Porter
Trustee

HPH
Chartered Accountants
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE ABBEYFIELD YORK SOCIETY LIMITED

Opinion

We have audited the financial statements of The Abbeyfield York Society Limited (the 'charitable company') for the year ended 31 March 2021, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of the its incoming resources and application of resources 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.

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's 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

HPH
Chartered Accountants
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE ABBEYFIELD YORK SOCIETY LIMITED

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

HPH
Chartered Accountants
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE ABBEYFIELD YORK SOCIETY LIMITED

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, 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.

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.

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

.....
A C Rodaway (Senior Statutory Auditor)

For and on behalf of HPH, Statutory Auditor

54 Bootham
York
YO30 7XZ

22 September 2021

THE ABBEYFIELD YORK SOCIETY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Turnover	3.1	474,714	471,832
Operating expenditure	3.3	(483,138)	(463,033)
Other income	3.1	9,900	19,701
Operating surplus		<u>1,476</u>	<u>28,500</u>
Interest receivable	8	447	1,526
Interest and financing costs	3.1	(6,324)	(8,142)
(Deficit)/Surplus before tax		<u>(4,401)</u>	<u>21,884</u>
Taxation		-	-
(Deficit)/Surplus for the year		<u>(4,401)</u>	<u>21,884</u>
Total comprehensive income for the year		<u><u>(£4,401)</u></u>	<u><u>£21,884</u></u>

THE ABBEYFIELD YORK SOCIETY LIMITED
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

Company Number 00721891

		2021		2020	
	Note	£	£	£	£
FIXED ASSETS					
Housing properties	10	2,745,007		2,755,933	
Other tangible fixed assets	11	49,302		49,447	
Investment	12	<u>1</u>		<u>1</u>	
			2,794,310		2,805,381
CURRENT ASSETS					
Trade and other debtors	13	27,320		41,328	
Cash and cash equivalents		607,950		615,983	
Less: Creditors: amounts falling due within one year	14	<u>(85,655)</u>		<u>(86,178)</u>	
Net current assets			549,615		571,133
Total assets less current liabilities			3,343,925		3,376,514
Creditors: amounts falling due after more than one year	15		(949,526)		(977,714)
Total net assets			<u><u>£2,394,399</u></u>		<u><u>£2,398,800</u></u>
RESERVES					
Income and expenditure reserve			2,392,390		2,396,791
Revaluation reserve			2,009		2,009
Total reserves			<u><u>£2,394,399</u></u>		<u><u>£2,398,800</u></u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small entities regime under the Companies Act 2006 and with Financial Reporting Standard 102.

The financial statements were approved by the Board on 22 September 2021 and signed on its behalf by:

Dr G R Porter (Chairman)

Mr D G Walker (Treasurer)

The notes on pages 18 to 26 form part of these financial statements.

THE ABBEYFIELD YORK SOCIETY LIMITED
STATEMENT OF CASH FLOWS AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Net cash generated from operating activities	19	34,296	284,680
Cash flow from investing activities			
Purchase of tangible fixed assets		(21,593)	(119,731)
Donations received		10,860	20,421
Interest received		<u>447</u>	<u>1,526</u>
		(10,286)	(97,784)
Cash flow from financing activities			
Interest paid		(6,324)	(8,142)
Repayments of borrowings		<u>(25,719)</u>	<u>(25,843)</u>
		(32,043)	(33,985)
Net change in cash and cash equivalents		<u><u>(£8,033)</u></u>	<u><u>£152,911</u></u>
Cash and cash equivalents at beginning of the year		615,983	463,072
Cash and cash equivalents at end of the year		607,950	615,983

THE ABBEYFIELD YORK SOCIETY LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

	Income and expenditure reserve £	Revaluation reserve £	Total £
Balance at 1 April 2020	2,396,791	2,009	2,398,800
Transfers	-	-	-
Surplus from Statement of Comprehensive Income	(4,401)	-	(4,401)
Balance at 31 March 2021	<u>£2,392,390</u>	<u>£2,009</u>	<u>£2,394,399</u>

THE ABBEYFIELD YORK SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 STATUS OF THE SOCIETY

The Society is incorporated in England under the Companies Act 1948 as a company limited by guarantee (00721891), and is registered as a charity with the Charity Commissioners (222424). The Society is registered under Section 2 of the Housing Act 1996 (H2055) and is wholly engaged in housing activities as defined in that Act.

The address of the registered office is Abbeyfield House, Regency Mews, Dringhouses, York, YO24 1LL.

2 ACCOUNTING BASIS

The Financial Statements have been prepared in accordance with applicable accounting standards, including Financial Reporting Standard FRS 102 (FRS 102), with the Companies Act 2006, in accordance with the Accounting Direction for registered providers 2019 and the Housing SORP 2018: Statement of Recommended Practice for registered social housing providers. The financial statements have been prepared on the historical cost convention.

Consolidation

Under section 399 of the Companies Act 2006 the group is exempt from the requirement to prepare group accounts by virtue of its size. Therefore the accounts present information about the company as an individual undertaking and not as a group.

2.1 TURNOVER

Turnover represents rental and service income receivable less voids.

2.2 FINANCE

The financial statements have been prepared on the basis that the capital expenditure will be grant-aided, funded by loans or where appropriate financed from the Society's own charitable resources.

2.3 SOCIAL HOUSING GRANTS (SHG)

SHGs are made by the Department of the Environment to assist with the acquisition and development of properties. SHG is repayable or recycled in accordance with decisions made by the Tenants Services Authority (now the Homes and Communities Agency) at the time of sale of the property or in a change of use for the property for which the SHG was originally granted. SHG has been included in creditors with amounts recognised in income from the date of receipt.

2.4 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.

2.5 ACCOMMODATION OWNED

	Number of units	
	2021	2020
Housing for Older People	31	31

THE ABBEYFIELD YORK SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2.6 FIXED ASSETS: HOUSING, LAND AND BUILDINGS: SHG ASSISTED SCHEMES

Cost includes, irrespective of the source of finance, costs of acquisition, development expenditure, interest on mortgage and other loan financing up to the appropriate relevant date.

Interest on mortgage or other loans financing the development is capitalised up to the date of the relevant date of the interim SHG application. Interest on advances after the interim SHG application is capitalised up to the relevant date of the final SHG application. Both interim and final relevant dates are determined in accordance with Department of the Environments circulars issued from time to time.

Interest not capitalised at either the interim or final relevant dates is charged to the income and expenditure account.

All invoices and architect's certificates relating to capital expenditure are included in the accounts at gross value provided that the expenditure was incurred or the architect's certificate was completed by the end of the accounting year.

2.7 FIXED ASSETS: HOUSING, LAND AND BUILDINGS: OTHER SCHEMES

Cost includes acquisition and development expenditure and interest on financing up to the date of completion of the project for occupation.

All invoices and architect's certificates relating to capital expenditure are included in the accounts at gross value provided that the expenditure was incurred or the architect's certificate was completed by the end of the accounting year.

2.8 FIXED ASSETS: FIXTURES, FITTINGS AND EQUIPMENT

Assets donated to the Society are not included in the Balance Sheet; other assets are included at cost.

2.9 DEPRECIATION

Housing land and buildings

The Society has to maintain its properties to a high standard through a continuing programme of refurbishment and maintenance. Depreciation has been charged in the accounts to implement the Statement of Recommended Practice: Accounting By Registered Social Landlords (SORP), using the following basis:-

- Building structure	100 years straight line
- Roof	40 years straight line
- Bathrooms	20 years straight line
- Windows	20 years straight line
- Boilers	10 years straight line

Fixtures, fittings and equipment

A full year's depreciation is charged on Fixed Assets in the year of purchase but no charge is made in the year of disposal.

Provision is made by way of annual instalments over the estimated useful lives of the assets which are mainly as follows:-

Furniture, Fixtures and Equipment	4 to 10 years
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THE ABBEYFIELD YORK SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2.10 DEBTORS

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

2.11 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.

2.12 CREDITORS AND PROVISIONS

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

2.13 PENSIONS

The cost to the Society of pensions is charged to the income and expenditure account as the contributions arise.

2.14 MONETARY DONATIONS

Monetary donations to the Society are credited to the income and expenditure account on a receipts basis.

2.15 DEVELOPMENT RESERVE

The Society has established a Development Reserve to ensure funds are available to pursue investment opportunities to further the charity's objectives.

2.16 PROPERTY EQUITY RESERVE

This reserve is to ensure the Society has sufficient funds to maintain its housing stock in the future.

2.17 INVESTMENT INCOME

Investment income is recognised on a receivable basis.

2.18 ALLOCATION OF EXPENSES AND MANAGEMENT COSTS

Expenses are allocated to management, repairs and services on the basis of actual expenditure.

2.19 LEGACIES RECEIVED

Legacies are accounted for as soon as the Society is notified of its legal entitlement to the amount due.

2.20 GOING CONCERN

The company has cash resources which covers the amount of external funding. The members of the Executive Board have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. They continue to believe that the going concern basis of accounting is appropriate in preparing the annual financial statements.

Although the impact of Coronavirus has been significant in terms of protecting the health of staff and residents, it has not a significant impact on the finances.

THE ABBEYFIELD YORK SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

3.1 TURNOVER, OPERATING SURPLUS AND SURPLUS BEFORE TAXATION

	2021		2020	
	Turnover	Operating	Turnover	Operating
	£	Cost	£	Cost
		£		£
Income and expenditure from lettings				
Housing accommodation	341,014	479,468	345,624	459,468
Housing related support	117,801	-	117,233	-
Recycled capital grant utilised	8,660	-	2,311	-
Other income and expenditure				
Sundry income / expenditure	7,239	3,670	6,664	3,565
	474,714	483,138	471,832	463,033
Donations	10,860	-	20,421	-
Expenditure on raising funds	-	960	-	720
Interest receivable	447	-	1,526	-
Bank interest payable	-	6,324	-	8,142
	486,021	490,422	493,779	471,895
Surplus before taxation	(£4,401)		£21,884	

Included within operating expenditure is Auditor's fees of £8,798 (2020 - £8,340).

3.2 TURNOVER FROM LETTINGS

	2021	2020
	£	£
Weekly charge	481,021	476,193
Less: Losses from voids	(22,206)	(13,336)
	£458,815	£462,857

3.3 OPERATING COSTS FROM LETTINGS

	2021	2020
	£	£
Housing accommodation excluding hostels (31 units)		
Services	349,978	327,424
Management	114,771	112,489
Routine maintenance	14,390	18,829
Other expenditure	329	726
	479,468	459,468
Sundry expenditure	3,670	3,565
	£483,138	£463,033

THE ABBEYFIELD YORK SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

4 STAFF COSTS

	2021	2020
	£	£
Wages and salaries	275,002	253,355
Social security	12,597	11,313
	<u>£287,599</u>	<u>£264,668</u>

The average number of employees on the payroll for the Society during the year was as follows:

	2021	2020
	No.	No.
	<u>31</u>	<u>31</u>

Total remuneration paid to key management personnel during the year was £57,418 (2020 - £58,009). No member of staff received remuneration over £60,000.

5 PENSIONS

The Society operates a defined contribution scheme for eligible employees. The Society contributes up to 5% of the employee's salary to the scheme, with the employee contributing at least 1%.

	2021	2020
	£	£
Contributions paid	<u>4,821</u>	<u>4,614</u>

At the end of the year the Society had outstanding contributions of £nil (2020 - £nil).

6 OPERATING SURPLUS

Operating surplus is stated after charging:

	2021	2020
	£	£
Depreciation of fixed assets	32,664	31,489
Operating lease charges	819	922
Auditor's remuneration	<u>8,798</u>	<u>8,340</u>

7 APPEAL FUND INCOME

Contributions during the year are as follows:

	2021	2020
	£	£
Donations	10,818	20,256
Appeal fund interest	42	165
	<u>£10,860</u>	<u>£20,421</u>

8 INTEREST RECEIVABLE AND SIMILAR INCOME

	2021	2020
	£	£
On short term deposits	447	1,526
Interest on subsidiary loan	-	-
	<u>£447</u>	<u>£1,526</u>

9 TAXATION

The Society has charitable status for tax purposes and no liability to corporation tax arises.

THE ABBEYFIELD YORK SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

10 HOUSING PROPERTIES

	Completed schemes £	Schemes under construction £	Total £
Cost or Valuation			
As at 1 April 2020	1,556,000	1,293,296	2,849,296
Additions	-	12,429	12,429
As at 31 March 2021	<u>1,556,000</u>	<u>1,305,725</u>	<u>2,861,725</u>
Depreciation			
As at 1 April 2020	93,363	-	93,363
Charge for the year	23,355	-	23,355
Adjustment on revaluation	-	-	-
As at 31 March 2021	<u>116,718</u>	<u>-</u>	<u>116,718</u>
Net book value			
As at 31 March 2021	<u>£1,439,282</u>	<u>£1,305,725</u>	<u>£2,745,007</u>
As at 31 March 2020	<u>£1,462,637</u>	<u>£1,293,296</u>	<u>£2,755,933</u>

The original cost of fixtures and fittings is included under housing properties because the finance for their acquisition came from the Housing Corporation.

Revaluations

The Housing Properties were revalued as at 31 March 2016 by Jones Lang LaSalle Limited who is external to the association. The basis of this valuation was the existing use valuation for social housing. This class of assets has a carrying amount at historical cost of £1,437,272 (2020 - £1,460,627). The depreciation on this historical cost is £23,355 (2020 - £23,355).

11 FIXTURES, FITTINGS AND EQUIPMENT

	2021 £
Cost	
As at 1 April 2020	225,171
Additions	9,164
As at 31 March 2021	<u>234,335</u>
Depreciation	
As at 1 April 2020	175,724
Charge for the year	9,309
As at 31 March 2021	<u>185,033</u>
Net book value	
As at 31 March 2021	<u>£49,302</u>
As at 31 March 2020	<u>£49,447</u>

THE ABBEYFIELD YORK SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

12 FIXED ASSET INVESTMENTS

Cost

As at 1 April 2020 and at 31 March 2021

1

The company owns 100% of the issued share capital of Abbeyfield York Home Care Limited. The principal activity of the company is the provision of care to residents of Abbeyfield in the York houses.

	Capital & reserves £	Profit for the year £
Abbeyfield York Home Care Limited	<u>898</u>	<u>216</u>

13 DEBTORS

	2021 £	2020 £
Rent in arrears	5,221	3,617
Amounts owed by group undertakings	12,427	8,852
Prepayment and accrued income	9,081	10,443
Other debtors	591	18,416
	<u>£27,320</u>	<u>£41,328</u>

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Loans and mortgages	26,011	25,853
Rent in advance	8,771	15,527
Other taxes and social security costs	2,039	2,696
Other creditors	8,472	8,472
Trade creditors and accruals	40,362	33,630
	<u>£85,655</u>	<u>£86,178</u>

15 CREDITORS: AMOUNTS FALLING AFTER MORE THAN ONE YEAR

	2021 £	2020 £
Barclays bank mortgage	200,973	226,850
Social Housing Grant	748,553	750,864
	<u>£949,526</u>	<u>£977,714</u>

The Barclays bank mortgage is secured by a charge on the Society's property at Regency Mews and is repayable in instalments over 25 years at a rate of interest of 0.875% over the bank base rate as follows:

Within one year	26,011	25,853
One to two years	26,621	26,461
Two to five years	39,938	51,613
Over five years	134,414	148,776
	<u>£226,984</u>	<u>£252,703</u>

THE ABBEYFIELD YORK SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

16 SHARE CAPITAL

The Society is a company limited by guarantee and therefore has no share capital. In the event of the Society being wound up each member is limited to a liability of £1.

17 PAYMENTS TO MEMBER, COMMITTEE MEMBERS, OFFICERS, ETC.

During the year amounts were only paid to executive committee members for the reimbursement of expenses amounting to £nil (2020 - £nil).

No other payments were made to members, committee members or officers for fees, remuneration or gifts nor were any benefits granted.

18 RELATED PARTY TRANSACTION

During the year the Society recharged costs totalling £54,089 (2020 - £43,942) to Abbeyfield York Home Care Limited, a wholly owned subsidiary. At 31 March 2021 the Society was owed £12,427 (2020 - £8,852) by Abbeyfield York Home Care Limited. Interest of £nil (2020 - £nil) was received in respect of this balance.

19 RECONCILIATION OF OPERATING SURPLUS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Operating surplus for the year	1,476	28,500
<i>Adjustments for non-cash items:</i>		
Depreciation of tangible fixed assets	32,664	31,489
Grant release	(2,311)	(2,311)
(Increase)/decrease in trade and other debtors	14,008	(5,205)
(Decrease)/increase in trade and other creditors	(681)	252,628
<i>Adjustments for investing or financing activities:</i>		
Donations received	(10,860)	(20,421)
Net cash flow from operating activities	<u>£34,296</u>	<u>£284,680</u>

20 CONTROL

The Society is controlled by the Board.

21 OPERATING LEASES

The total value of future minimum lease payments under non-cancellable operating leases for each of the following periods:

Operating leases which expire:

	2021	2020
	£	£
Not later than one year;	485	922
later than one year and not later than five	<u>1,941</u>	<u>690</u>

Lease payments recognised as an expense in the year amounted to £690 (2020 - £922).

THE ABBEYFIELD YORK SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

22 CONTINGENT LIABILITIES

A contingent liability exists in respect of backpay for underpayment of sleep-in shifts amounting to £156,970. HMRC had given care providers until March 2019 to settle their back dated liabilities. The case was taken to the Court of Appeal and, on 13 July 2018, the Court of Appeal ruled in favour of the care providers which meant they do not have to pay backdated pay for sleep-in shift. The case is now being heard at the Supreme Court, although no ruling has yet been announced. Therefore the contingent liability has still not been recognised in the Accounts. An employment tribunal claim for back pay by a former member of staff has been stayed pending the outcome of the Supreme Court hearing.