

Registered Charity Number: 223716
Registered Company Number: 00715471

FARRADAY HOUSE LIMITED

Previously known as The Abbeyfield Bury Society Limited

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

FARRADAY HOUSE LIMITED

A Private Company Limited by Guarantee
Company Registered in England Number: 00715471
Registered Charity Number: 223716

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2024

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FARRADAY HOUSE LIMITED

A Private Company Limited by Guarantee

Company Registered in England Number: 00715471

Registered Charity Number: 223716

OFFICERS AND PROFESSIONAL ADVISERS

YEAR ENDED 30 SEPTEMBER 2024

The Board of Trustees:

Mr R Bibby (Chair)
Mrs C McAleese (Treasurer)
Mrs Y Creswell (Vice Chair)
Ms L Howorth (Secretary)
Mr C Fogg
Mrs E Shirt
Mr R Caserta
Mr D Wolfenden

Registered Office:

Farraday House
Cottam Street
Bury
BL8 1QQ

Independent Auditors:

DonnellyBentley Limited
Chartered Accountant and Registered Auditor
Hazlemere
70 Chorley New Road
Bolton
BL1 4BY

Bankers:

Barclays Bank plc
1 Central Street
Bury
BL9 0JN

FARRADAY HOUSE LIMITED

TRUSTEES' ANNUAL REPORT (including Directors' Report)

YEAR ENDED 30 SEPTEMBER 2024

The trustees, who are also directors of the charity for the purposes of the Companies Act, are pleased to present their annual report together with the audited financial statements of the charity for the year ended 30 September 2024. The trustees have adopted the provision of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

CHANGE OF NAME

The company passed a special resolution on 1 October 2024 changing its name from The Abbeyfield Society Limited to Farraday House Limited.

REFERENCE AND ADMINISTRATION DETAILS

Reference and administration details are shown in the schedule of officers and professional advisers on page 3 of the financial statements.

STRUCTURE GOVERNANCE AND MANAGEMENT

Governing Document

Farraday House Limited is a charitable company limited by guarantee. Its governing document is in the form of a Memorandum and Articles of Association dated 15 February 1962 as amended by special resolutions dated 6 September 2004 and 28 August 2007.

As a registered charity the company is non-profit making and its directors and trustees are volunteers.

Appointment of Trustees

The management of Farraday House Limited is the responsibility of the trustees. Any individuals can apply as a trustee but they have to be approved by the existing trustees.

Trustee Induction and Training

As part of their induction, new trustees are provided with information about the charity, the management structure, its history and working practices.

In addition they are also provided with extracts of the Memorandum and Articles of Association plus information from the Charity Commission and Companies House regarding the duties and responsibilities of trustees.

Appropriate training to trustees is provided where necessary.

Organisational Structure

The business of the charity is managed by the trustees. They have appointed a part-time administrator/manager to be responsible to the trustees for the administration of the work of the charity. They are also responsible for the bookkeeping of the charity.

FARRADAY HOUSE LIMITED

TRUSTEES' ANNUAL REPORT (including Directors' Report)

YEAR ENDED 30 SEPTEMBER 2024

Risk Management

The trustees have conducted a review of the major risks to which the charity is exposed, and systems have been established to mitigate those risks and to provide reasonable assurance against fraud and error.

The main risk to charity is the possibility of a reduced occupancy. In order to mitigate this risk a small additional amount is included in the price costing.

OBJECTIVES AND ACTIVITIES

The objectives of the charity are to relieve aged, impotent and poor people of all classes for the advancement of religion and education and for other charitable purposes beneficial to the community.

Aims of the Charity

The charity is a provider of very sheltered housing for the elderly.

PUBLIC BENEFIT

We have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees have considered the activities of the charity as set out in the 'objectives and activities' section above, and the 'achievements and performance' and assessed their future plans. They are satisfied that the criteria for public benefit are comprehensively achieved.

ACHIEVEMENTS AND PERFORMANCE

Review of Business

Once more, I am pleased to report that both of our houses (Bury & Radcliffe) have performed well. I therefore take this opportunity to thank all our staff for being vigilant in keeping costs to a minimum.

Our existing contract with British Gas to supply gas and electricity came to an end in February 2024 at the Radcliffe House and the new contract negotiated.

In anticipation of the contract renewal a Capital Investment was made at Farraday House Radcliffe in December 2023 to install 35 solar panels which will supply approximately 33 Kw of electricity to supplement our new contract with British Gas.

Staff and Trustees are constantly questioning the soaring costs of light and heating within the two houses and regular improvements are made to both homes.

The Trustees realise that the cost of running the homes must be kept to a minimum to enable us to continue in these difficult times and keep residential fees at a sensible level. This, however, needs to be addressed by us all so I ask that we are vigilant with regards to heating and the use of electricity.

It had been agreed by the members at the AGM during the year that we should cease our membership of the Abbeyfield Association and the name changed to Farraday House and the changeover is progressing.

The good work done by our staff enables us to keep the excellent reputation we have across Greater Manchester and in particular Bury and Radcliffe and myself and fellow Trustees acknowledge that it is because of our staff's commitment and dedication to our residents for which we thank them.

FARRADAY HOUSE LIMITED

TRUSTEES' ANNUAL REPORT (including Directors' Report)

YEAR ENDED 30 SEPTEMBER 2024

Can I further thank our Trustees for their continued support and the excellent voluntary contribution they make to managing our two homes and keeping us on course for continued success in the future.

Bob Bibby
Chairman

BOARD OF TRUSTEES

The Directors and Trustees during the year under review were as at 30 September 2024:

Mr R Bibby, Chair
Mrs Y Creswell, Honorary President
Ms L Howorth
Mr C Fogg
Mrs E Shirt
Mrs C McAleese
Mr R Caserta
Mr D Wolfenden

FINANCIAL REVIEW

Results

The surplus for the year was	£81,637
From which is added the retained surplus brought forward	£1,839,801
Leaving a surplus carried forward of	<u>£1,921,438</u>

The majority of income is derived from rents received from residents of the 33 units of supported housing available.

Investment Policy

In order to maintain a good emergency cash flow Farraday House Ltd maintains approximately £500k in an interest bearing cash account with Barclays Bank. However, in order to maximise interest, FH Ltd has invested £500k with a Fund management company with a range of funds mainly within Government Bond Funds with a "Risk Level" of 3/4 out of 10

Reserves Policy

The board recognises the need to hold a reasonable level of unrestricted reserves to secure the charity's future and the wellbeing of our Farraday House residents. The level of reserves required according to the reserves policy will vary depending upon any new projects, but is considered to be a minimum of 25% of annual income. This would be £128,063 based on annual income for the year to 31 December 2024..

At 30 September 2024 total reserves were £1,921,438, of which £59,675 related to restricted funds and £1,861,763 related to unrestricted funds. Funds of £1,329,990 can only be realised by disposing of fixed assets. Total unrestricted funds which can be realised without the disposal of fixed assets are £591,448. This figure exceeds the level of reserves per the reserves policy by £463,385.

Current levels of reserves are high as a legacy of having sold properties in the past. The trustees will not hesitate to re-invest these reserves where required to fund improvements or the addition of new facilities in either of our homes.

FARRADAY HOUSE LIMITED

TRUSTEES' ANNUAL REPORT (including Directors' Report)

YEAR ENDED 30 SEPTEMBER 2024

Future Events

The trustees appreciate their responsibility to the aged population of the Bury area and are mindful to have available to the community reasonably priced accommodation and assisted living.

On 1 October 2024 the company left the Abbeyfield network and changed its name from Abbeyfield Bury Society Limited (The) to Farraday House Limited.

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation; and
- observe the methods and principles in the Charities SORP 2019 (FRS 102).

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

SMALL COMPANY EXEMPTION

In preparing this report the directors have taken advantage of the special provisions of part 15 of the Companies Act 2006 relating to small companies.

AUDITOR

A resolution proposing that DonnellyBentley Limited are re-appointed as auditors of the company will be put to the Annual General Meeting.

Signed on behalf of the Trustees on 4 June 2025



Mr R Bibby – Chair

FARRADAY HOUSE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF FARRADAY HOUSE LIMITED

YEAR ENDED 30 SEPTEMBER 2024

Opinion

We have audited the financial statements of Farraday House Limited (the 'charitable company') for the year ended 30 September 2024 which comprise the statement of financial activities, the balance sheet, 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 30 September 2024, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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 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.

FARRADAY HOUSE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF FARRADAY HOUSE LIMITED - continued

YEAR ENDED 30 SEPTEMBER 2024

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 trustees' report (incorporating the directors' report) prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 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 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 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 directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, 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.

FARRADAY HOUSE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF FARRADAY HOUSE LIMITED - continued

YEAR ENDED 30 SEPTEMBER 2024

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to the company and the sector in which it operates and considered the risk of non-compliance with applicable laws or regulations.

We determined that the following laws and regulations were most significant: the Companies Act 2006, the Charities Act 2011, health and safety regulations and employment law. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, for example, forgery or intentional misrepresentations, or through collusion.

We obtained an understanding of how the company is complying with those legal and regulatory frameworks by making enquiries of the management. We corroborated our enquiries through our review of board minutes.

Our tests also included agreeing the financial statements disclosures to underlying supporting documentation. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the management or trustees that represented a risk of material misstatement due to fraud.

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.



Catherine Cole FCA (Senior Statutory Auditor)
for and on behalf of DonnellyBentley Limited
Statutory Auditor
Chartered Accountants
Hazlemere
70 Chorley New Road
Bolton
BL1 4BY

4 June 2025

FARRADAY HOUSE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)

YEAR ENDED 30 SEPTEMBER 2024

	Note	Unrestricted Fund £	Restricted Fund £	Year Ended 30/09/2024 £	Year Ended 30/09/2023 £
INCOME AND EXPENDITURE					
Income					
Investment income	5	1,738	-	1,738	75
Income from charitable activities	3	509,631	-	509,631	472,121
Miscellaneous income	4	884	-	884	366
Total Income		<u>512,253</u>	<u>-</u>	<u>512,253</u>	<u>472,562</u>
Expenditure					
Charitable activities	6	<u>470,027</u>	<u>9,221</u>	<u>479,248</u>	<u>434,078</u>
Total Expenditure		<u>470,027</u>	<u>9,221</u>	<u>479,248</u>	<u>434,078</u>
Net Income/(Expenditure) for the Year Before Other Recognised Gains and Losses					
		42,226	(9,221)	33,005	38,484
Transfers between funds		-	-	-	-
Unrealised gains/(losses) on investments		<u>48,632</u>	<u>-</u>	<u>48,632</u>	<u>14,881</u>
Net movement in funds		90,858	(9,221)	81,637	53,365
Fund balances brought forward at 1 October 2023		1,770,905	68,896	1,839,801	1,786,436
Fund balances carried forward at 30 September 2024	18	<u>1,861,763</u>	<u>59,675</u>	<u>1,921,438</u>	<u>1,839,801</u>

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

All income and expenditure derives from continuing activities.

The Restricted Fund represents monies received and spent on an extension at Turks Road which provided a new dining room, an improved kitchen and created one additional room.

The notes form part of these financial statements

FARRADAY HOUSE LIMITED

BALANCE SHEET

YEAR ENDED 30 SEPTEMBER 2024

	Note	2024	2023
		£	£
FIXED ASSETS			
Housing properties	13	1,541,730	1,590,951
Less: Housing Association grant	13	(991,667)	(991,667)
		<u>550,063</u>	<u>599,284</u>
Other fixed assets	14	259,717	239,406
Investments	15	<u>520,210</u>	<u>471,578</u>
		<u>1,329,990</u>	<u>1,310,265</u>
CURRENT ASSETS			
Debtors	16	15,957	13,597
Cash at bank and in hand		<u>604,021</u>	<u>548,021</u>
		<u>619,978</u>	<u>561,618</u>
CREDITORS: Amounts falling due within one year	17	<u>28,530</u>	<u>32,082</u>
NET CURRENT ASSETS		591,448	529,536
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,921,438</u>	<u>1,839,801</u>
THE FUNDS OF THE CHARITY	18		
Unrestricted fund		1,861,763	1,770,905
Restricted Fund		59,675	68,896
		<u>1,921,438</u>	<u>1,839,801</u>

These accounts have been prepared in accordance with the provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the trustees and authorised for issue on 4 June 2025 and are signed on their behalf by:



R Bibby - Chair

FARRADAY HOUSE LIMITED

STATEMENT OF CASHFLOWS

YEAR ENDED 30 SEPTEMBER 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash provided by operating activities	19	<u>92,781</u>	<u>103,001</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		-	-
Purchase of tangible fixed assets		(36,781)	(18,096)
Receipt from sale of tangible fixed asset		-	-
Net cash used in investing activities		<u>(36,781)</u>	<u>(18,096)</u>
Change in cash and cash equivalents in the year		56,000	84,905
Cash and cash equivalents brought forward		<u>548,021</u>	<u>463,116</u>
Cash and cash equivalents carried forward	20	<u>604,021</u>	<u>548,021</u>

The notes on pages 14 to 23 form part of these financial statements.

FARRADAY HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2024

1. ACCOUNTING POLICIES

Farraday House Limited is incorporated under the Companies Act 2006. The principal policies adopted in the Financial Statements are set out below.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019 – (Charities SORP 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice. The principal accounting policies adopted in the preparation of the financial statements are set out below.

Farraday House Limited meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. They have been prepared under the historic cost convention and the going concern basis.

Company Status

The charity is a company limited by guarantee incorporated in England and Wales. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is Farraday House, Cottam Street, Bury, BL8 1QQ. The nature of the charity's operations and its principal activity is as a provider of very sheltered housing for the elderly.

Fund Accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Income

Income from charitable activities represents fees receivable from residents in respect of housing accommodation provided by the Society in the year net of rent losses from voids.

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

Donations

Monetary donations, other than those allocated to special projects, are credited to the income and expenditure account, on a receipts basis.

FARRADAY HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued

YEAR ENDED 30 SEPTEMBER 2024

Investment Income

Interest is recognised as the charity's right to receive payment is established.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

- Charitable activities expenditure comprises these costs incurred by the charity in the delivery of its services for its beneficiaries.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Tangible Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Improvements to Property	-	4% per annum straight line
Freehold Buildings	-	4% per annum straight line
Fixtures and Fittings	-	15% per annum on the reducing balance
Computer Equipment	-	25% per annum straight line

Housing properties

Housing properties are principally properties available for rent and are stated at cost less any provision for impairment (representing a diminution in the recoverable service potential of the asset below its carrying value in the balance sheet) less depreciation. Cost includes the cost of acquiring land and buildings and development costs.

Social Housing Grant (SHG)

SHG received as a contribution towards the capital costs of a scheme is shown in the Housing Properties note. Where properties are included at historical cost the total grant receivable is deducted from the cost of housing properties. This treatment contravenes the Companies Act but is necessary to show a true and fair view.

SHG is subordinated to the repayment of loans by agreement with the Housing Corporation. SHG released on sale of a property may be repayable but is normally available to be recycled and is credited to a recycled Capital Grant Fund or Disposal Proceeds Fund and included in the balance sheet in creditors.

VAT Accounting

Irrecoverable VAT which can be attributed to a capital item or revenue expenditure is added to the cost of the capital item or expenses.

Pension costs

The Society operates a defined contribution pension scheme. Contributions are charged to the income and expenditure account in the accounting period in respect of which they are payable to the scheme.

FARRADAY HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued

YEAR ENDED 30 SEPTEMBER 2024

Financial instruments

The company 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.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Fixed Asset Investments

Investments are included at closing midmarket value at the balance sheet date. Any gain or loss on revaluation of disposal is taken to the Statement of Financial Activities.

Taxation

No provision has been made for taxation as exemption from taxation has been granted by the Inland Revenue under the provisions of Section 505 of the Income and Corporation Taxes Act 1988.

Going Concern

The trustees have reviewed the circumstances of Farraday House Limited and consider that adequate resources continue to be available to fund the activities of the charity for the foreseeable future. The trustees are of the view that the charity is a going concern.

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3. INCOME FROM CHARITABLE ACTIVITIES

	Total Funds 2024 £	Total Funds 2023 £
Gross rent receivable	527,689	500,432
Less: Losses from voids	(18,058)	(22,311)
	<u>509,631</u>	<u>472,121</u>
	Units at 30/09/2024	Units at 30/09/2023
Units in management		
Supported housing for older people	33	33

FARRADAY HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2024

4. MISCELLANEOUS INCOME

	Total Funds 2024 £	Total Funds 2023 £
Miscellaneous income	884	366
	<u>884</u>	<u>366</u>

In 2024 and 2023 all categories of income were wholly unrestricted.

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2024 £	2023 £
Bank interest receivable	<u>1,738</u>	<u>75</u>

6. CHARITABLE ACTIVITIES

	Total Funds 2024 £	Total Funds 2023 £
Care and catering employee costs	191,944	162,279
Employers NI contributions	8,609	5,513
Total pension costs	3,035	2,719
Rates and water	12,430	14,226
Light and heat	43,944	28,034
Repairs and maintenance	52,048	59,168
Food and other household costs	52,308	48,839
Telephone	3,723	2,629
Printing, stationery and advertising	1,093	1,172
Miscellaneous expenses	2,998	2,917
Insurance	7,858	9,621
Depreciation	65,688	64,810
Bank charges and interest	480	488
Governance costs (see note 7)	33,090	31,663
	<u>479,248</u>	<u>434,078</u>

7. GOVERNANCE COSTS

	Total Funds 2024 £	Total Funds 2023 £
Audit fees	11,259	9,969
Legal and professional	10,783	12,270
Affiliation fee	11,048	9,424
	<u>33,090</u>	<u>31,663</u>

In 2024 £9,221 of depreciation was restricted (2023: £7,776) and all the remaining expenditure was unrestricted.

FARRADAY HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2024

8. OPERATING SURPLUS

Operating surplus is stated after charging/(crediting):

	2024 £	2023 £
Depreciation	65,688	64,810
Auditors remuneration	<u>11,259</u>	<u>9,500</u>

9. AUDITORS REMUNERATION

	2024 £	2023 £
Fees payable to auditor for audit of the annual accounts	10,000	9,500
Fees payable to auditor for other services	<u>1,259</u>	<u>469</u>

10. DIRECTORS REMUNERATION

None of the directors were paid any remuneration during the year for services as directors. The directors are considered to be the only key management personnel and thus amounts paid by the charity to key management personnel was nil in 2024 and 2023.

11. EMPLOYEE INFORMATION

	2024 £	2023 £
Wages and salaries	191,974	162,279
Social security costs	8,579	5,513
Other pension costs	<u>3,035</u>	<u>2,719</u>
	<u>203,588</u>	<u>170,511</u>

The average number of staff employed by the company during the financial year amounted to:

	2024	2023
Office	2	1
Wardens, caretakers and cleaners	<u>10</u>	<u>10</u>
	<u>12</u>	<u>11</u>

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

£1,000 (2023: nil) was paid to one trustee in respect of reimbursed costs for the use of Wi-Fi whilst travelling. There were no other trustee expenses paid.

FARRADAY HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2024

12. TAXATION ON ORDINARY ACTIVITIES

Farraday House Limited is a registered charity and is therefore exempt from liability to taxation on its income and capital gains.

13. HOUSING PROPERTY

	£
COST	
At 1 October 2023	2,300,186
Additions	-
Housing Association grant	(991,667)
Disposals	-
At 30 September 2024	<u>1,308,519</u>
DEPRECIATION	
At 1 October 2023	709,235
Charge for the year	49,221
At 30 September 2024	<u>758,456</u>
NET BOOK VALUE	
At 30 September 2024	<u>550,063</u>
At 30 September 2023	<u>599,284</u>

Housing properties book value, net of grant and depreciation comprise:

	2024 £	2023 £
Freehold land and buildings	<u>550,063</u>	<u>599,284</u>

FARRADAY HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2024

14. OTHER TANGIBLE FIXED ASSETS

	Computer Equipment £	Improvements to Property £	Fixtures & Fittings £	Total £
COST				
At 1 October 2023	1,273	248,917	153,641	403,831
Additions	649	36,132	-	36,781
Disposals	-	-	-	-
At 30 September 2024	1,922	285,049	153,641	440,612
DEPRECIATION				
At 1 October 2023	1,273	41,435	121,720	164,428
Charge for the year	162	11,402	4,903	16,467
Depreciation on disposal	-	-	-	-
At 30 September 2024	1,435	52,837	126,623	180,895
NET BOOK VALUE				
At 30 September 2024	487	232,212	27,018	259,717
At 30 SEPTEMBER 2024	-	207,482	31,921	239,403

15. FIXED ASSET INVESTMENTS

	2024 £	2023 £
Market value at 1 October 2023	471,578	456,697
Additions	-	-
Disposal proceeds	-	-
Net investment gains/(losses)	48,632	14,881
Market value at 30 September 2024	520,210	471,578
Historical cost - original	500,000	500,000
Investments at market value comprised:	2024 £	2023 £
AJ Bell Investcentre General Investment Account	520,210	471,578

The investment manager is responsible for managing the investment portfolio in the best interests of the charity which may involve the purchase and sale of shares. Any gains on the sale of shares are reinvested directly in the fund and are therefore treated as unrealised by the charity.

Investments within the General Investment Account are valued on the basis of mid-market prices from the appropriate Stock Exchange or from the relevant fund manager at the balance sheet date. The increase in value of the investments amounting to £48,632 is an unrealised gain to be disclosed under Charities SORP 2019 and does not reflect any actual gains realised by the charity from sales of investments.

FARRADAY HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2024

16. DEBTORS

	2024 £	2023 £
Trade debtors	-	-
Prepayments and accrued income	15,957	13,418
Sundry debtors	-	179
	<u>15,957</u>	<u>13,597</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade creditors	8,489	14,784
Other taxation and social security	3,086	2,477
Other creditors	2,235	2,426
Accruals and deferred income	14,720	12,395
	<u>28,530</u>	<u>32,082</u>

18. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers In/Out £	Unrealised Gain £	Carried Forward £
Restricted fund	68,896	-	9,221	-	-	59,675
Unrestricted fund	1,770,905	512,253	470,027	-	48,632	1,861,763

FARRADAY HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2024

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	33,005	38,484
Adjustment for:		
Depreciation charges	65,688	64,810
Dividends, interest and rents from investments	-	-
Loss on the sale of fixed assets	-	-
Decrease/(increase) in stocks	-	-
(Increase)/decrease in debtors	(2,360)	(6,289)
(decrease)/increase in creditors	(3,552)	5,996
Net cash provided by operating activities	<u>92,781</u>	<u>103,001</u>

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash at bank and in hand	<u>604,021</u>	<u>548,021</u>
Total	<u>604,021</u>	<u>548,021</u>

21. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the trustees as detailed on page 1.

22. FINANCIAL COMMITMENTS

Total financial commitments at 30 September 2024 which are not included in the balance sheet are £2,652 (2023: £3,588).

23. RELATED PARTY TRANSACTIONS

David Wolfenden, who is a trustee of the charity, is self-employed decorator and during the year the charity paid £1,405 (2023: £2,410) to him for decorating services.

24. CONSTITUTION

The charitable company is limited by guarantee and does not have a share capital. In the event of the charitable company being wound up the members are committed to a contribution of £1 each.

FARRADAY HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2024

25. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Final balances at 30 September 2024 are represented by:-

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible Fixed Assets	1,270,315	59,675	1,329,990
Current Assets	619,978	-	619,978
Current Liabilities	(28,530)	-	(28,530)
	<u>1,861,763</u>	<u>59,675</u>	<u>1,921,438</u>

26. POST BALANCE SHEET EVENTS

On 1 October 2024 the company left the Abbeyfield network and changed its name from Abbeyfield Bury Society Limited (The) to Farraday House Limited.

