

COMPANY REGISTRATION NUMBER: 00935713
CHARITY REGISTRATION NUMBER: 257620

The Abbeyfield Honiton Society Limited
Company Limited by Guarantee
Financial Statements
31 March 2023

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2023

	Page
Trustees' annual report (incorporating the director's report)	1
Independent auditor's report to the members	7
Statement of financial activities (including income and expenditure account)	12
Statement of financial position	13
Notes to the financial statements	14

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2023

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2023.

Reference and administrative details

Registered charity name The Abbeyfield Honiton Society Limited

Charity registration number 257620

Company registration number 00935713

Principal office and registered office Stanhope House
36 High Street
Honiton
Devon
EX14 1PJ

The trustees

C Cox	(Appointed 30 November 2022)
G Cumming	(Appointed 30 November 2022)
H Simon	(Appointed 30 November 2022)
I Foot	
J Beck	(Appointed 30 November 2022)
K Budden	(Appointed 30 November 2022)
M Jolly	(Resigned 17 July 2023)
P Ireton	(Resigned 30 November 2022)
S Roberts	(Resigned 1 June 2022)
C Knee	(Appointed 30 November 2022)
C Ireton	(Resigned 30 November 2022)
C Whitlock	(Appointed 30 November 2022)

Auditor Stuart Carrington FCA
Westcotts (SW) LLP
Chartered Accountants
Timberly
South Street
Axminster
Devon
England
EX13 5AD

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Structure, governance and management

Constitution

The Abbeyfield Honiton Society Limited is a registered Charity which was originally established by constitution dated 19th July 1968. The most recent amendments to the Articles of Association were on 1st April 2023.

Organisation

The Society is run by the Executive Board. The Executive Committee meets regularly to discuss and manage the daily operation of the Society. The Treasurer presents a report at each meeting, setting out the year to date income and expenditure in comparison with the previous year and identifies any unexpected anticipated budget pressures and plans to accommodate these.

A significant change in our structure occurred during the course of this year with the merger of Colyton and Honiton Abbeyfield societies. The current board of trustees of Colyton were joined by Ian and Mark from Honiton and this board now runs both societies. The change in structure has created a new role of Chief Executive Officer responsible for overseeing both houses and reporting to the board of trustees. This role has been taken on by Graham Jenkins who has lengthy experience with Abbeyfield and has proven enthusiasm for its core values.

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

We welcomed a new administrator Anna to our team this year. With the merger of Colyton and Honiton Anna is already proving to be an essential part of the team and provides valuable support to Graham and the house managers.

Risk management

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

Objectives and activities

- To provide sheltered housing with on-site support to enable older people from diverse backgrounds to continue to live independently for as long as possible.
- To promote engagement and involvement with the local community of which Abbeyfield Honiton is an integral part.
- To foster the positive aspect of communal life within the house - combating loneliness encouraging social contact and promoting the physical, social and emotional well-being of residents.

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Achievements and performance

During the year 22-23 we have welcomed 6 new residents at Honiton. Occupancy at Honiton is full and there is a waiting list should any further vacancies become available. The office at Colyton is now the base for our administrator and CEO to run the two houses, we are noticing an increase in the administrative burden and expect this to increase so having this dedicated space is a real asset. The office is also put to good use for staff training and for the East Devon Abbeyfield Chairs meetings hosted by our membership consultant Paul Boulton.

Staffing has proved to be challenging and I would like to acknowledge the overtime put in by senior staff to ensure our kitchen is always open and our high standards of cleaning have been maintained. Our House Manager at Honiton resigned during this year and we have recruited a new manager from within our team. Penny has taken over the role as House Manager at Honiton and is settling in well to the role. Recruitment of new staff was undertaken and a new part-time cook has been added to our team and another as "bank staff". Our staff continue to organise a range of activities and entertainments including films, quizzes, and pub evenings.

Honiton volunteers hold a coffee morning every Wednesday. Day trips have been organised to Exeter, Sherborne and the Westpoint Xmas Fayre using TRIP community transport. Residents enjoyed Honiton carnival with hot dogs and wine. Highlight of the year was the Christmas meal at The Belmont Hotel that was enjoyed by residents, staff and volunteers.

We have created our own professional website with the help of a local expert. The board feels it is important to embrace social media and is looking at ways to improve its presence.

Abbeyfield Colyton & Honiton - involvement in the wider Abbeyfield movement

The Chairman of Trustees of the Honiton Society also attends the wider area group of membership societies comprising societies in the East Devon area. This forum is a useful place to share our experiences, both positive and problematic and work together to find solutions and to maintain the services that we provide. Unfortunately Lyme Regis Abbeyfield house has closed this year. Honiton Society has now merged with Colyton Society so that only leaves 3 societies in the East Devon area.

As a Board we can see advantages going forward of smaller houses working together and enjoying the benefits of sharing the administrative burden and the purchasing benefits. Nationally, Abbeyfield has reviewed its set up and direction and discussions are ongoing. An Abbeyfield world council has been created and under that umbrella it is divided into Abbeyfield groups representative of the country in which they are based. At the present time we are now members of the new Abbeyfield England group and the structure and role of this board is being finalised during the current year. It will be important to engage with this process to ensure that we have input into the decisions being made.

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Summary

When reflecting on the year 2022-23 the new challenge of the merger of Colyton and Honiton societies has provided the biggest change and one we hope goes towards protecting the future of both societies - together we are stronger. We are VERY grateful to everyone who contributes so cheerfully and tirelessly to making Stanhope House a very special place for those who live here, work here and volunteer. Thank you all so much.

Financial review

The financial results for the year are set out in the Income and Expenditure Account and the position at the end of the year is shown in the Balance Sheet. Thanks are due to our Treasurer, Graham Cumming, for his professional leadership in this area. We are committed to continually investing in our properties to ensure the highest standards are maintained and maintenance is carried out in a timely manner. With this in mind, internal alterations at Honiton have enabled a new dining area to be created and the social area has been increased. Both areas have been redecorated and equipped with new furniture. Plans are in place to add private shower room facilities to two rooms and to improve the appearance of the outside of the building.

With forward planning of anticipated expenditure and close monitoring of expenditure patterns and operating costs, the Board has recommended a 7% increase in fees for residents from April 1st 2022. This increase was felt to be necessary in light of the expected rise in inflation and fuel costs this year. Staff salaries and wages were increased by 5%.

Total income for the year increased to £194,155 (2022: £124,883). Expenditure also increased from £151,198 to £175,170. This year there was an overall surplus of £18,985 (2022: loss of £26,315).

All funds are for unrestricted purposes, total funds stood at £797,484 as at 31 March 2023 (2022: £778,499). Net current assets increased from £159,137 to £165,224 by the end of the 22/23 financial year.

Plans for future periods

The Trustees and House Committee are committed to maintaining a high standard of repairs and maintenance to ensure the well-being and health and safety of residents. There is adequate provision in the budget to refurbish apartments to a high standard whenever there are changes in occupancy. At Honiton we have put in planning permission for a revamp of the external appearance of the property and are reviewing the possibility of garden improvements and adding an extra room.

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 22 to the financial statements.

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Trustees' responsibilities statement

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

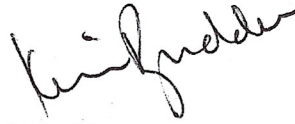
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

The trustees' annual report was approved on^{25/09/23}..... and signed on behalf of the board of trustees by:



G Cumming
Treasurer



K Budden
Chairman

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Abbeyfield Honiton Society Limited

Year ended 31 March 2023

Opinion

We have audited the financial statements of The Abbeyfield Honiton Society Limited (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 31 March 2023 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;
- 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 charity 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 charity'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.

Emphasis of matter

The corresponding figures for the year to 31 March 2022 have not been audited.

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Abbeyfield Honiton Society Limited (continued)

Year ended 31 March 2023

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 the 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 the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters 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 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 take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Abbeyfield Honiton Society Limited (continued)

Year ended 31 March 2023

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity 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.

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 identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management. We communicated identified laws and regulations throughout our team, and remained alert to any indications of non-compliance throughout the audit.

The charity is subject to laws and regulations that govern the preparation of the financial statements, including financial reporting legislation, and other charities legislation. The charity is also subject to other laws and regulations where the consequences of non-compliance could have a material impact on the amounts or disclosures within the financial statements, including anti-bribery, anti-money laundering and certain aspects of charities legislation.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Abbeyfield Honiton Society Limited *(continued)*

Year ended 31 March 2023

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

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

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

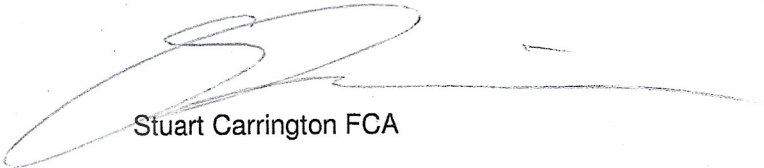
Independent Auditor's Report to the Members of The Abbeyfield Honiton Society Limited *(continued)*

Year ended 31 March 2023

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

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stuart Carrington FCA

For and on behalf of
Westcotts (SW) LLP
Chartered Accountants
Timberly
South Street
Axminster
Devon
England
EX13 5AD

26-9-23

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2023

		2023		2022
		Unrestricted	Total funds	Total funds
	Note	funds		
		£	£	£
Income and endowments				
Donations and legacies	5	36,000	36,000	—
Charitable activities	6	156,592	156,592	124,138
Investment income	7	1,563	1,563	745
Total income		<u>194,155</u>	<u>194,155</u>	<u>124,883</u>
Expenditure				
Expenditure on charitable activities	8,9	<u>175,170</u>	<u>175,170</u>	<u>151,198</u>
Total expenditure		<u>175,170</u>	<u>175,170</u>	<u>151,198</u>
Net income/(expenditure) and net movement in funds		<u>18,985</u>	<u>18,985</u>	<u>(26,315)</u>
Reconciliation of funds				
Total funds brought forward as previously reported		790,025	790,025	804,814
Prior year adjustment		(11,526)	(11,526)	—
Total funds brought forward as restated		<u>778,499</u>	<u>778,499</u>	<u>804,814</u>
Total funds carried forward		<u>797,484</u>	<u>797,484</u>	<u>778,499</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 to 21 form part of these financial statements.

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Statement of Financial Position

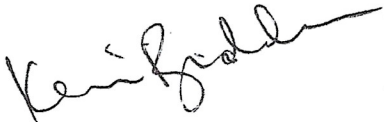
31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	15	632,260	619,362
Current assets			
Debtors	16	4,599	2,026
Cash at bank and in hand		167,383	165,745
		171,982	167,771
Creditors: amounts falling due within one year	17	6,758	8,634
Net current assets		165,224	159,137
Total assets less current liabilities		797,484	778,499
Net assets		797,484	778,499
Funds of the charity			
Unrestricted funds:			
Revaluation reserve		175,000	175,000
Other unrestricted income funds		622,484	603,499
Total unrestricted funds		797,484	778,499
Total charity funds	19	797,484	778,499

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

These financial statements were approved by the board of trustees and authorised for issue on ...25/04/23, and are signed on behalf of the board by:


G Cumming
Treasurer


K Budden
Chairman

The notes on pages 14 to 21 form part of these financial statements.

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Stanhope House, 36 High Street, Honiton, Devon, EX14 1PJ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a small company as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available:

(a) No cash flow statement has been presented for the company.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The Charity is limited by guarantee. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the Charity in the event of liquidation.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Other donations and legacies				
Other donations and legacies	36,000	36,000	—	—

6. Charitable activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Other income	156,592	156,592	124,138	124,138

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

7. Investment income

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Bank interest receivable	1,563	1,563	576	576
Other investment income	—	—	169	169
	<u>1,563</u>	<u>1,563</u>	<u>745</u>	<u>745</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Direct activities	100,767	100,767	99,834	99,834
Support costs	74,403	74,403	51,364	51,364
	<u>175,170</u>	<u>175,170</u>	<u>151,198</u>	<u>151,198</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2023	Total fund 2022
	£	£	£	£
Direct activities	100,767	64,969	165,736	147,008
Governance costs	—	9,434	9,434	4,190
	<u>100,767</u>	<u>74,403</u>	<u>175,170</u>	<u>151,198</u>

10. Analysis of support costs

	Analysis of support costs	Total 2023	Total 2022
	£	£	£
Premises	49,760	49,760	36,473
Communications and IT	1,155	1,155	1,854
General office	14,054	14,054	8,709
Finance costs	—	—	138
Governance costs	9,434	9,434	4,190
	<u>74,403</u>	<u>74,403</u>	<u>51,364</u>

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

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

Fixtures and fittings - 10% straight line

There is no charge for depreciation in respect of the freehold property, as the residual value is expected to be at least equal to cost.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

11. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	1,116	1,116
Loss on disposal of heritage assets	—	1,478

12. Accountants' fees

	2023 £	2022 £
Fees payable to the accountant for:		
Independent examination of the financial statements	—	1,200
Audit of the financial statements	2,500	—

13. Staff costs

The average head count of employees during the year was 10 (2022: 10).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

No trustee expenses have been incurred during the year.

15. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost			
At 1 April 2022	609,317	61,393	670,710
Additions	14,014	—	14,014
At 31 March 2023	623,331	61,393	684,724
Depreciation			
At 1 April 2022	—	51,348	51,348
Charge for the year	—	1,116	1,116
At 31 March 2023	—	52,464	52,464
Carrying amount			
At 31 March 2023	623,331	8,929	632,260
At 31 March 2022	609,317	10,045	619,362

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

16. Debtors

	2023	2022
	£	£
Prepayments and accrued income	<u>4,599</u>	<u>2,026</u>

17. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	3,458	5,670
Accruals and deferred income	3,300	1,200
Social security and other taxes	—	1,023
Other creditors	—	741
	<u>6,758</u>	<u>8,634</u>

18. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,184 (2022: £1,766).

19. Analysis of charitable funds

Unrestricted funds

	At 1 April 2022	Income	Expenditure	Prior year adjustments	At 31 March 2023
	£	£	£	£	£
General funds	615,025	194,155	(175,170)	(11,526)	622,484
Revaluation reserve	175,000	—	—	—	175,000
	<u>790,025</u>	<u>194,155</u>	<u>(175,170)</u>	<u>(11,526)</u>	<u>797,484</u>

	At 1 April 2021	Income	Expenditure	Prior year adjustments	At 31 March 2022
	£	£	£	£	£
General funds	629,814	124,883	(151,198)	—	603,499
Revaluation reserve	175,000	—	—	—	175,000
	<u>804,814</u>	<u>124,883</u>	<u>(151,198)</u>	<u>—</u>	<u>778,499</u>

The Abbeyfield Honiton Society Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

20. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2023 £
Tangible fixed assets	632,260	632,260
Current assets	171,982	171,982
Creditors less than 1 year	(6,758)	(6,758)
Net assets	797,484	797,484

	Unrestricted Funds £	Total Funds 2022 £
Tangible fixed assets	619,362	619,362
Current assets	167,771	167,771
Creditors less than 1 year	(8,634)	(8,634)
Net assets	778,499	778,499

21. Prior year adjustments

The prior period error shown in the accounts relates to the correction of the brought forward revaluation reserve balance.

22. Post balance sheet events

After the end of the financial year, The Abbeyfield (Colyton) Society Limited's activities were combined with Abbeyfield Honiton and the two operations are now run as one single legal entity.

23. Related parties

During the year, Abbeyfield Honiton paid £10,908 to The Abbeyfield (Colyton) Society Limited for services provided and reimbursement of costs, all at an arms length basis. The Abbeyfield Colyton has executive committee members in common with the trustees of Abbeyfield Honiton.