

Company Registration Number 00945603
Charity Registration Number 257782
Housing Corporation Registration Number H0340

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**ABBNEYFIELD BRAINTREE, BOCKING
AND FELSTED SOCIETY LIMITED**

(Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 MARCH 2021

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

CONTENTS

	Pages
Reference and administrative details of the charity, its directors and advisers	1 - 2
Strategic report of the directors	3 - 13
Directors' report	14 - 15
Independent auditor's report	16 - 19
Statement of comprehensive income (including income and expenditure account)	20
Statement of changes in equity	21
Balance sheet	22
Statement of cash flows	23
Notes to the financial statements	24 - 37

The following pages do not form part of the statutory financial statements:

Detailed income and expenditure account	39 - 40
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ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED SOCIETY LIMITED

(Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS AND ADVISERS

Board (Directors/Trustees)

Anthony Cramphorn (Treasurer)
Ian Norgett (Chairman)
David Summersgill
Barbara Guest
Martin Quaife
Iain Lee
Catharine Hutley
Janet Perry

Company Secretary

Michele Quaife MBE

Senior Personnel

Michele Quaife MBE - Operations Manager
Diane Fitzgerald - Marketing Manager
Sandra Ryder - Manager, Wickham House
Cass Murray - Manager, Felsted House
Dot Wheeler - Registered Manager, Great Bradfords House

Location of Residential Sites

Wickham House
338 Coggeshall Road
Braintree
Essex
CM7 9EH

Great Bradfords House
159 Coggeshall Road
Braintree
Essex
CM7 9GD

Felsted House
Jollyboys Lane North
Felsted
Essex
CM6 3DU

ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED SOCIETY LIMITED

(Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS AND ADVISERS

Registered Office

Wickham House
338 Coggeshall Road
Braintree
Essex
CM7 9EH

Registration Numbers:

Company	00945603
Charity	257782
Housing Corporation	H0340

Bankers

Barclays Bank plc
London Corporate Banking
93 Baker Street
Marylebone
London
W1U 8ED

Statutory Auditor

Scrutton Bland LLP
Chartered Accountants
820 The Crescent
Colchester Business Park
Colchester
Essex
CO4 9YQ

ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED SOCIETY LIMITED

(Company Limited by Guarantee)

DIRECTORS' STRATEGIC REPORT YEAR ENDED 31 MARCH 2021

The Directors are pleased to present their strategic report on the affairs of the charitable company, together with the audited financial statements for the year ended 31 March 2021, incorporating the reference and administrative information on pages 1 and 2.

This report also represents a Trustees' Report prepared in accordance with the Charities Act. For the purpose of this report reference to Directors is also to be taken as reference to Trustees.

Structure, governance and management

Current constitution

The Abbeyfield Braintree, Bocking and Felsted Society Limited is a charitable company and registered social housing provider, limited by guarantee. The liability of the members in the event of the company being wound up is limited to a sum not exceeding £1 each. Membership is restricted to Directors of the Society.

The Society was incorporated on 8 January 1969 (company number 00945603). It was registered as a charity (registration number 257782) on 12 February 1969.

The Society is governed by its Memorandum and Articles of Association.

The Society is an affiliate of The Abbeyfield Society, a national organisation, to whom it pays an annual fee in return for various support services, an accreditation scheme, some national marketing and national representation at a fiscal level. The Society is entirely independent of the national organisation, and free to set its own policies and practices, but does acknowledge and adhere to the latter's objectives.

The Society operates 'very sheltered' homes at Wickham House, 338 Coggeshall Road, Braintree and at Felsted House, Jollyboys Lane North, Felsted. There is also an 'extra care' estate at Great Bradfords House, 159 Coggeshall Road, in Braintree.

Wickham House provides 17 en-suite studios. Felsted House provides 14 en-suite studios. Great Bradfords House provides 33 one-bedroom flats and 2 two-bedroom flats.

Tenants' rents are set each year in accordance with budgeted costs having regard for recommendations made by Homes England.

Appointment of Directors, Induction and training

New Directors are expected to bring skills and experience relevant to the needs of the organisation and to complement or add to the skills of existing Directors. They undergo a briefing session to inform them of their legal obligations under charity and company law, and to introduce them to the Memorandum and Articles of Association, the strategy, business plan, and governance and management structures of the organisation. As part of this induction they are handed an induction pack comprising of the Society's administrative structure, the roles and functions of Directors as recommended by The Abbeyfield Society, a job description, together with current financial information.

**ABBEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**DIRECTORS' STRATEGIC REPORT
YEAR ENDED 31 MARCH 2021**

The Society has adopted the Homes England standards for Value for Money, Rents, Tenant Empowerment and Governance and Financial Viability, copies of all these also form part of the induction pack. The new Director will be introduced to key employees and other Directors. They will receive information on relevant external training events and are encouraged to attend.

All Directors are required to make an annual declaration of personal interests.

One third of the Directors must retire by rotation each year but are eligible for re-election.

The Directors retiring at the Annual General Meeting in September 2020 were Mr A Cramphorn, Mrs B Guest and Mrs J Perry and being eligible were duly re-elected to the Board. The Directors retiring at the next Annual General Meeting will be Mr D Summersgill and Mr M Quaife, both being eligible they will be proposed for re-election.

The Board Committee

The Articles of Association govern the appointment of the Board Committee which provides that the committee shall consist of no less than three and no more than eighteen members.

The Board Committee is made up of Directors and such selected senior personnel as are appropriate. The Board Committee administers the Charity. This meets five times per year, its purpose is to determine strategy, direct, control and scrutinise and evaluate the Society's affairs.

The Committee has the power to appoint Board Committee members to fill a casual vacancy.

There are also several sub-committees. The Finance and Governance Sub-Committee, comprising the Treasurer, Company Secretary and up to three Directors with accountancy or finance backgrounds, meets before every Board Committee meeting to prepare and recommend the adoption of the management accounts, prepare and recommend any budgets and forecasts, investigate and recommend the appropriate investment policy for the Society and generally to steer all financial aspects of the operation. This sub-committee has adopted in full The Governance and Financial Viability Standard published by Homes England and complies with every clause insofar as it applies to organisations of the size of the Society.

An Operations Sub-Committee meets on an ad hoc basis to provide guidance to management personnel when issues of policy are challenged, or strategic decisions require a rapid response. A new sub-committee, the Polly's Field Steering Group was established in mid-2019 and all Trustees are invited to attend. This has dealt with the many issues and proposals arising in connection with the new development at Polly's Field. In particular, various trustees or groups of senior personnel now take direct responsibility for decisions relating to, for example, the catering kitchen design and operation, the interior furnishings and fittings of the village hub and of the flats and so forth.

Other sub-committees are formed as required and are responsible for Human Resources, Fund-raising, Legal matters, and Procurement. With regards to the former, HR, a decision was made earlier in the year, and following an Industrial Tribunal hearing, to appoint a firm of professional HR consultants. This move has been welcomed by the senior managers as they now have all the resources to hand to ensure up to date compliance with employment legislation and, if needed, immediate guidance and support in all employee matters.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**DIRECTORS' STRATEGIC REPORT
YEAR ENDED 31 MARCH 2021**

Day to day management of the charity is performed by the Operations Manager, the Registered Manager of Great Bradfords House, the Managers of Wickham and Felsted Houses and senior personnel who have considerable delegated powers. The Operations Manager, who also carries the responsibility of Company Secretary, remains in close contact with the Directors to facilitate a responsive and effective management structure.

Core responsibilities of the Executive Committee

- The Board Committee has adopted the recommendations of the Homes England code of practice for Trustees.
- Setting and ensuring compliance with the vision, values, mission and strategic objectives of the Society, to ensure long term success.
- Satisfying itself of the integrity of the financial information, approving each year's budget and business plan and annual accounts prior to publication.
- Establishing, overseeing and reviewing annually a framework of delegation and systems of internal control.
- Establishing and overseeing a risk management framework, to safeguard the Society's assets.
- An annual declaration of relevant interests.

The Board Committee has set out and published where appropriate, its response to each of the above factors and looks forward with confidence to the ensuing long-term success of its strategic objectives

Vision, values, mission and strategic objectives

The principal objective and activity of the Society is to provide accommodation, care and companionship for elderly or frail people in accordance with the aims and principles of The Abbeyfield Society, of which this Society is a member. The activity falls wholly within hostel housing activities as defined in the Housing Act 1996.

The Society's mission statement is:

- To provide a comfortable alternative home environment for older people who chose not to live alone.
- To give them the freedom to choose as much or as little involvement in communal living as they want.
- To enable care; and provide support for the frail and elderly.
- To achieve this with courtesy and humility.

The Society is committed to the principles of equality, diversity, and inclusion regardless of age, gender, ethnicity, race, disability or religion. It is a stated objective of the board that employees should feel valued and be appropriately rewarded. The Society believes that its remuneration packages are competitive within the local market place.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**DIRECTORS' STRATEGIC REPORT
YEAR ENDED 31 MARCH 2021**

Internal financial control

The Board Committee has in place a system of controls that are appropriate to the various businesses in which it operates. These controls are designed to give reasonable assurance with respect to:

- The reliability of financial information within the Society before, during and after each financial year and for publication.
- The maintenance of proper accounting records.
- The safeguarding of assets against unauthorised use or disposition.

There are formal policies and procedures, including documentation of key systems and rules in relation to the delegation of authorities, which allow monitoring of controls and restrict the unauthorised use of the Society's assets.

Experienced and suitably qualified staff take responsibility for day-to-day business operations.

Budgets are prepared annually which allow the Board Committee to monitor monthly the key business risks, financial objectives and progress towards the set financial plans.

Regular financial information is provided to ensure that any significant variance from budget is investigated.

All significant new initiatives, major commitments and investment projects are subject to formal authorisation by the Board Committee.

There are procedures for instituting appropriate action to correct any weakness identified by the external auditors or the Board Committee.

Risk Review

The Board Committee continues to review the major financial and non-financial risks to which the charity is exposed, the two most significant of which continues to be the impact of an excessive or prolonged period of voids and the risks associated with underwriting the new development at Polly's Field, both of these risks have increased, as reported last year, this is a consequence of the lockdown and the impact of COVID-19, but we continue to keep them under review. The upgrade of residents' facilities in the sheltered houses and the addition of en-suite facilities in every bedroom has undoubtedly enabled the Society to be more effective in filling voids than would otherwise have been the case. The appointment of a permanent Marketing Manager whose job is, amongst others, to provide a single point of contact for prospective new residents, maintain a group-wide register of interest and to promote the business on social media and, by networking in the local community, has resulted in enquirers being given prompt and personal attention, a vital factor in good public relations. In addition, there is a monthly budget report and voids schedule circulated to all Directors and Managers and weekly and monthly progress reports on both construction and cost build up for the Polly's Field project.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**DIRECTORS' STRATEGIC REPORT
YEAR ENDED 31 MARCH 2021**

With regards to the potential risks with the new development, the Society has employed an extremely strong and well qualified team of professionals to support the design, construction, and cost appraisal of the construction of the new Village. This, together with a close working relationship with the main contractor and especially the site foreman has ensured that many potential pitfalls have been avoided. The risk of failing to reach the necessary target of sales by practical completion has been mitigated by the performance of the marketing company which has proved its ability to target specific sectors of the local community and to reach potential purchasers together with the selling skills of the in-house marketing team. The remaining risk rests largely with the Local Authority who have not yet put its promised marketing support package into effect on account of the impact of COVID on the working practices of the social services staff. The Society will continue to press them to fill the Social Housing allocation of flats in a timely manner. As to risks in connection with funding, the development funder has been very co-operative in procuring additional government backed loans which will enable the Society to re-introduce many of the elements of the scheme which had been deferred in various earlier value engineering exercises. There will still be potential for a cash shortfall at the completion of the scheme and until the income from sales is achieved, but the Society is confident it can manage this process.

In every other case, systems have been identified to mitigate those risks identified, including financial, operational, health and safety surveys and tenants' finances.

Internal risks are minimised by the implementation of policy and procedure reviews, financial control and regulation procedures. These procedures are regularly reviewed to ensure that they still meet the needs of the charity.

Operational review for the year ended 31 March 2021

The two overarching features of the year in question were the impact of the COVID-19 pandemic and the construction process of the Polly's Field Village development scheme.

COVID affected the Societies business in several ways. There was a serious likelihood that had an outbreak of infection struck one or more of our houses there could have been a significant loss of residents and therefore of income. Thanks to the prompt and highly successful actions taken by staff at every level to impose strict health and safety regimes, not only on residents and visitors, but also on employees and incoming supplies of every sort, there were very limited outbreaks of infection in only one of the three houses. There were voids arising in the year however for a variety of other reasons and these proved hard to fill as social distancing meant prospective residents could not visit and view the accommodation. The resultant effect on the business was a total of 897 void days experienced compared with a budget of 540. The directors were anticipating a higher total and are very satisfied that voids were contained at this level.

The other consequential effects were on the additional cost of PPE equipment and shortages of other essential supplies. This is evident in an increase in expenditure above forecasts. There was also a much higher cost of staffing than expected both to cover absences through unavoidable isolation and overtime to cover shifts. Three modest grants have been received from respective Local Authorities specifically to support organisations such as ours, and more recently donations of PPE have also been received.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**DIRECTORS' STRATEGIC REPORT
YEAR ENDED 31 MARCH 2021**

Progress on the development site was initially held up for a short while in April 2020 when the site was closed due to the pandemic. Since then, work has progressed at a most satisfactory rate and by the end of March 2021 was a little ahead of the programme. There have been shortages of certain materials from time to time, but the contractor has managed to source alternative supplies in a timely manner. The scale of the operation is not to be under-estimated. A £24m project comprising 99 fully fitted 1 and 2 bed-room flats, 37 of which enable us to fulfil our obligations to support the less well off by providing affordable units, a village hub with Gym, Bistro, Bar, Village Hall, Hair and Beauty Salon, Library/IT room, Guest Suite, Laundry, Patios, Landscaped Gardens plus meeting rooms and offices for staff. The prospect currently, is for a practical completion in December 2021 with the likelihood of first occupation in early January 2022. Expenditure by the end of the financial year was £16,824,385, part funded by a development loan, part by grants and part from cash reserves held by the Society.

A marketing plan for the sale of flats had been worked out in detail before the end of the financial year, to target specific demographic communities within the locality of the site and was implemented soon after. The Society's in-house marketing team, with assistance from the professional marketing agency have made considerable progress in the months since then, and by July 2021 just over 75% of the flats for sale had been reserved.

It was reported in last year's Statements that the replacement of the catering kitchen at Felsted had to be delayed until summer 2020 by which time new funding would be available. This work, costing a little over £40,000, was completed during the early summer with minimal disruption as planned. Several generous donations towards the cost have been gratefully received especially those from residents and their families.

The Society meets its commitment to provide Social Benefit through its policy of housing and caring for elderly and vulnerable adults.

Financial review

Voids have been mentioned earlier in this report. The actual value of voids in the year was £49,283 representing 3.95% of rent/service charges (net of bad debts) compared with 1.55% in 2019/20. The latter was an exceptionally good performance.

Rental Income, on a like for like basis and net of voids, was only £35,308 higher than in 2019/20 which despite the rent increase being in line with RPI, is largely attributable to the increase in voids experienced in the year.

Care package fees for the year were on a par with 2019/20.

Expenditure on a like for like basis, was up by 6.07% with the largest increase being in wages, NI and auto-enrolment for pensions. The very substantial increase recorded under wages and NI amounting to almost £205k, conceal a change in the accounting procedure used by Sage where previously wages in connection with catering and support, amounting to some £94k, were recorded as part of these Service costs. In addition, savings of some £30k were achieved in printing, postage, legal fees, general expenses, training and care costs.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**DIRECTORS' STRATEGIC REPORT
YEAR ENDED 31 MARCH 2021**

In terms of the Balance Sheet, Tangible Fixed Assets freehold land and buildings have benefitted by the addition of £12,870,278. This relates entirely to the development costs of Polly's Field.

Current assets are reduced by £3,405,883. This reflects the fact that deposits and cash in hand have been subsumed into the development fund for Polly's Field.

Similarly, creditors stand at £9,785,131, the vast bulk of which relates to the development bank loan.

Overall, the surplus for the year was just over £229,000 which, given the circumstances was a very satisfactory result.

The full results are shown in the attached financial statements.

Achievements and performance indicators

During the year, the Society provided long term housing for 69 elderly and largely vulnerable adults. There was no provision for respite care in the period. At 31 March 2021 there were 22 residents in receipt of Local Authority funding.

Staff turnover was 12% in the year.

The average age of residents was 86 and the average length of stay just over 3 years.

The Directors budget for carrying out a five-year cycle of painting and decorating of each property. Expenditure in the year in question was significantly reduced in the interest of conserving funds for the new development. Only essential repair and maintenance was carried out to maintain the properties in good and serviceable condition.

Value for money

The Regulator of Social Housing requires the Society to publish performance metrics against its own Value for Money targets. These measure economy, efficiency and effectiveness of all similar operations.

We have found that not all are applicable, as for example in the latest year we have not yet produced any new units, so this one is omitted. Our remaining performance Metrics are as follows:

1. Reinvestment 59.84%	Target 59.84%
2. New supply delivered	not applicable
3. Gearing 45.08%	Target 45.08%
4. EBITDA 0%	Target 0%
5. Headline social cost per unit £210,909	Target £210,000
6. Operating Margin – Overall 11.54%	Target 9.01%
7. Return on capital employed 1.51%	Target 0.95%

The Society is constantly working to manage its resources to maximise cost effectiveness, for example the provision of solar panels, regular renegotiation of utility contracts and competitive tendering for larger contracts and negotiating small contracts sometimes using Trustee's expertise. These strivings for greater efficiency are always carried out with the proviso of providing quality services to meet tenants' and potential tenants' needs.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**DIRECTORS' STRATEGIC REPORT
YEAR ENDED 31 MARCH 2021**

The Society is very conscious of the need to achieve a financial return in line with its targets and performance to match the expectations of residents.

The Society considers value for money has been maximised when there is an optimum balance between the following three: realistically low costs, efficiency and the successful provision of a quality service.

The focus of the Society's value for money program continues to embrace its approach to budgeting, risk management, auditing, interest rates, internal financial control, service quality, voids management, energy consumption and planned maintenance.

In the past the Society has not been averse to disposing of poorly performing properties, nor of making major changes to management practices. Such difficult decisions are taken against the backdrop of improving financial return, coupled with protecting the lifestyle of the communities it serves.

Reserves policy

The Board has established a policy whereby the unrestricted funds not committed or invested in tangible assets ('free reserves') held by the Society should be equivalent to six months' gross rental and service charge income. This now amounts to approximately £763,000. There are temporarily no free reserves as shown in note 13. There are however ample items within the list of Designated Funds that are available to the Society, should the need arise, and can be made available in such an eventuality.

The notes to the accounts set out details of all the reserves held, and the Society's proposals for them.

The largest designated reserve is to match the investment in fixed assets (net of related Social Housing grants) held on the Balance Sheet, to ensure that sufficient funds are available to keep the properties in a good state of repair and to allow for the replacement of furniture, fixtures and fittings as necessary.

At 31 March 2021 the Society's total reserves amounted to £5,532,296. Of this, £985,184 represents restricted funds and £4,547,112 represents unrestricted funds.

Investment policy

The executive committee has approved a policy of investing surplus funds with recognised banks and building societies, with a maximum of £300,000 in any one institution, over periods varying from instant access to 24 months deposits.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**DIRECTORS' STRATEGIC REPORT
YEAR ENDED 31 MARCH 2021**

Fund-raising policy

The Society sets out to raise funds by the following means:

1. Inviting members of the public and residents to consider donating to the Society by way of legacies.
2. Inviting members of the public and residents to make cash gifts to the Society.
3. Holding events and functions, the proceeds of which go to the Society.
4. Making approaches to Foundations, Institutions and other Charities for grants and loans for specific projects.
5. Setting up of "Just Giving" pages and joining professionally run fund-raising groups such as "Easy Fund Raising".
6. The appointment, from time to time, of a professional fund raiser to approach National and Local charitable organisations on its behalf. Such an individual, being a member of the Institute of Professional Fund Raisers, is bound by their fundraising standards.

The Society is not aware of any complaints concerning its fundraising activities in the year.

Plans for the immediate and short-term future

The Directors approved a new operational priority schedule in December 2020 for the period ahead to 2023. This reiterated six on-going aims, all to do with the delivery of an improving service to residents coupled with greater operational efficiencies.

In addition, four immediate operational priorities were approved for implementation in this financial year:

1. Vaccination against COVID for residents and staff.
2. Upgrading the Society's IT installation to provide a VPN across all Society premises.
3. To re-introduce elements of the Polly's Field development previously engineered out as part of a value engineering exercise, namely:
 - a. Hard and soft landscaping.
 - b. Hobby Greenhouse/recreation area and fittings.
 - c. Spa bathroom fittings.
 - d. Stage for the Hall, IT equipment for the media room.
 - e. Paving for the patio outside the Bistro.
4. To implement repairs to the roof at Felsted House.

Among the next short-term objectives are the following:

1. At Polly's Field, to implement a service whereby residents can both pursue their existing interests and share and develop new ones. This will be achieved by an Activities Manager supported by the Scheme Manager part of whose function is to facilitate just this. In addition, a Wellness service, an activities programme, exercise sessions in the gym and the introduction of open-air patio games such as Boules, Chess and Draughts are to be made available as is the possibility of a car sharing scheme.
2. To replace the wooden pergola at Wickham House with a steel one and incorporate balconies to the upstairs affected rooms.
3. To review long-term banking arrangements.
4. To establish a Hardship Fund to assist those residents who have limited access to finance.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**DIRECTORS' STRATEGIC REPORT
YEAR ENDED 31 MARCH 2021**

Of the four immediate operational priorities referred to last year, three were completed, namely replacement of the fire panel and upgrading the lift systems at Gt Bradfords House and of the kitchen at Felsted House. Only the provision of a VPN installation was deferred pending the completion of Polly's Field Village as this will be an integral element of the development project.

2021/22 and beyond

Last year the biggest concern was the likely impact of the Coronavirus Pandemic on our ability to maintain a financially viable operation. This year the outlook is much the same with yet another spike in pandemic outbreaks extremely likely. This time, however, we are much better prepared to cope having had the experience of introducing effective safety precautions, and of sourcing PPE and other supplies. Added to this the success of the vaccine roll-out will take away a lot of the pressure on care staff. The biggest concern that remains is that of filling voids. Until the public become more confident in getting out and visiting establishments such as ours, this will continue to impact on the revenue stream of our existing houses. Fortunately, this has not stopped potential residents from taking an interest in the new Village.

But we have not yet tackled the issue of those who we must attract into the 37 affordable units as their needs can only be addressed much nearer the opening point for the scheme, and we are dependant to a large extent on the efforts of the local social services department who, in turn, have been isolated and working from home. This is not conducive to getting out and placing those in need into accommodation.

Much has already been said about the progress of the construction of Polly's Field Village and with the marketing thereof. In the meantime, the operations side of the business lead very capably by the Operations Manager, are, and will be, busy recruiting to fill the new roles that are created by the considerable expansion the business will experience over the next 6 to 12 months. This expansion will enable the Society to bring some out-sourced functions in-house, such as book-keeping, and relieve certain trustees of the need to devote large amounts of voluntary time to management matters and concentrate thereafter on support and direction. By bolstering and developing the in-house admin team it is intended that the back-up for the four house managers will be more proficient and professional.

It should not be overlooked that there will be a steady increase in overheads in respect of setting up staffing and other operational costs in connection with Polly's Field for several weeks before income commences, and thereafter until mostly occupied. As a result the new project will run at a loss. The directors are increasingly confident that given the welcome early interest and take up of flats by potential residents from all over Essex and Suffolk, the scheme should move into surplus within 12 months of opening.

Finally

None of this is possible without the full co-operation of the Directors, and their willingness to participate, voluntarily, in the many functions and activities demanded of a progressive and successful charity such as Abbeyfield Braintree, Bocking and Felsted Society Limited.

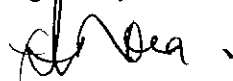
**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**DIRECTORS' STRATEGIC REPORT
YEAR ENDED 31 MARCH 2021**

The Directors readily acknowledge the efforts of all staff to achieving the results outlined above and will continue to guide and direct them in delivering a value for money service combined with a compassionate and sympathetic approach to the wellbeing of residents.

The Directors are ever grateful to the many donors and benefactors who have generously supported the Society during the year.

Signed by order of the Executive Committee on *16th October 2021*



I. Norgett
Chairman

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

DIRECTORS' REPORT
YEAR ENDED 31 MARCH 2021

The Directors are pleased to present their report for the year. The financial statements are prepared in accordance with Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102'). The Directors shown below have held office during the period from 1 April 2020 to the date of this report unless shown otherwise.

Mr I Norgett (Chairman)
Mr A Cramphorn (Treasurer)
Mr D Summersgill
Mrs B Guest
Mr M Quaife
Mr I Lee
Mrs C Hutley
Mrs J Perry

Statement of Directors' Responsibilities

The Directors, who are also Trustees of the Society for the purposes of Charity Law, are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Standards. The Directors' Report also represents the Trustees' Report which is required by Part 8 of the Charities Act 2011.

Company law and social housing legislation require the Directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Society and of the incoming resources and application of resources, including the income and expenditure, of the Society for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies, and apply them consistently;
- observe the methods and principles in the Registered Social Landlords Statement of Recommended Practice;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice 'Account by Registered Social Landlords' (2010) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in operation.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination 2006. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

DIRECTORS' REPORT
YEAR ENDED 31 MARCH 2021

The Directors have had regard to the public benefit guidance issued by the Charity Commission and have complied with the duty in Section 17 of the Charities Act 2011. They believe that the description of the Society's activities in this annual report shows evidence that those activities carry out the charity's aims for the public benefit.

The Directors confirm that, so far as they are aware, there is no relevant audit information of which the Society's auditor is unaware. They have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

During the year a Trustees' Indemnity Insurance policy was in place. This is included within an affiliation fee and, as such, the premium paid in respect of this policy is not separately identifiable.

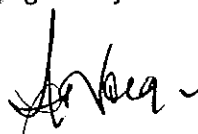
Auditors

The Directors will recommend that Scrutton Bland LLP be reappointed as auditors to the Company.

Registered office:

Wickham House
338 Coggeshall Road
Braintree
Essex
CM7 9EH

Signed by order of the Executive Committee



I. Norgett
Chairman

Approved by the Directors on

10th October 2021

INDEPENDENT AUDITOR'S REPORT TO THE BOARD MEMBERS OF ABBEYFIELD BRAINTREE, BOCKING AND FELSTED SOCIETY LIMITED (Company Limited by Guarantee)

YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of Abbeyfield Braintree, Bocking and Felsted Society Limited (the 'Society') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income (including the Income and Expenditure Account), Statement of Changes in Equity, Balance Sheet, Statement of Cash Flows 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 Society's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and,
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and The Accounting Direction for Private Registered Providers of Social Housing from April 2019.

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 Society 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 directors' 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 entity'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 directors with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD MEMBERS OF
ABBEYFIELD BRAINTREE, BOCKING AND FELSTED SOCIETY LIMITED
(Company Limited by Guarantee)**

YEAR ENDED 31 MARCH 2021

Other information

The Directors 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 the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have 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 Society and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or 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.

INDEPENDENT AUDITOR'S REPORT TO THE BOARD MEMBERS OF ABBEYFIELD BRAINTREE, BOCKING AND FELSTED SOCIETY LIMITED (Company Limited by Guarantee)

YEAR ENDED 31 MARCH 2021

Responsibilities of the Directors

As explained more fully in the statement of Directors' responsibilities statement in the Directors' Report, the directors 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 they 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 Directors are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the Society 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, through discussion with the trustees (as required by auditing standards), inspection of the Society's regulatory and legal correspondence and discussed with the trustees the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Society is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Society is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: compliance with the requirements of Homes England, The Care Quality Commission, health and safety regulations, safeguarding rules, social housing requirements, building regulations, employment law and GDPR. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD MEMBERS OF
ABBEYFIELD BRAINTREE, BOCKING AND FELSTED SOCIETY LIMITED
(Company Limited by Guarantee)**

YEAR ENDED 31 MARCH 2021

Auditor's responsibilities for the audit of the financial statements (continued)

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: enquiries of management and those charged with governance as to whether the company complies with such regulations; enquiries of management and those charged with governance concerning any actual or potential litigation or claims, inspection of any relevant legal documentation, review of board minutes, testing the appropriateness of journal entries and the performance of analytical review to identify any unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified.

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. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://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 Society's members, as a body, in accordance with section 87 of the Companies Act 2006 and the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Society'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 Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.



TIM O'CONNOR (Senior Statutory Auditor)

SCRUTTON BLAND LLP

Chartered Accountants and Statutory Auditor

820 The Crescent
Colchester Business Park
Colchester
Essex
CO4 9YQ

4/11/21

**ABBEEFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**STATEMENT OF COMPREHENSIVE INCOME
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Turnover	3	1,525,862	-	1,525,862	1,490,554
Operating expenditure	3	(1,304,267)	(45,976)	(1,350,243)	(1,261,855)
Operating surplus	3, 4	221,595	(45,976)	175,619	228,699
Other income					
Other interest receivable and similar income	5	14,204	-	14,204	35,754
Donations	5	35,241	-	35,241	55,258
Sundry income	5	3,947	-	3,947	5,454
Total comprehensive income for the year	13	274,987	(45,976)	229,011	325,165
Net transfer to designated reserves	13	(638,251)	-	(638,251)	(256,781)
Total comprehensive income for the year after transfers		£ (363,264)	£ (45,976)	£ (409,240)	£ 68,384

All the activities of the Society are classed as continuing.

There are no recognised gains or losses in this or the prior period other than those included in the statement of comprehensive income.

The Statement of Comprehensive Income for the year ended 31 March 2020 is included within note 23.

The notes on pages 24 to 37 form part of these financial statements.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 MARCH 2021**

	Designated reserves £	Unrestricted Income and expenditure account £	Restricted reserves £	Total £
At 1 April 2019	3,652,080	270,760	1,055,280	4,978,120
Surplus/(deficit) for 2019/20	-	349,285	(24,120)	325,165
Transfers between funds for 2019/20	256,781	(256,781)	-	-
At 31 March 2020	3,908,861	363,264	1,031,160	5,303,285
Surplus/(deficit) for 2020/21	-	274,987	(45,976)	229,011
Transfers between funds for 2020/21	638,251	(638,251)	-	-
At 31 March 2021	<u>£ 4,547,112</u>	<u>£ -</u>	<u>£ 985,184</u>	<u>£ 5,532,296</u>

The notes on pages 24 to 37 form part of these financial statements.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**BALANCE SHEET
AS AT 31 MARCH 2021**

	Notes	2021 £	(Restated) 2020 £
Fixed assets			
Housing properties	7	21,302,924	8,556,267
Other fixed assets	7	33,379	40,861
Total tangible fixed assets		21,336,303	8,597,128
Current assets			
Investments	8	-	2,827,452
Debtors	9	46,035	393,276
Cash at bank and in hand		34,312	265,502
		80,347	3,486,230
Creditors: amounts falling due within one year	10	(9,785,131)	(1,004,320)
Net current (liabilities)/assets		(9,704,784)	2,481,910
Total assets less current liabilities		11,631,519	11,079,038
Creditors: amounts falling due after more than one year	11	(6,099,223)	(5,775,753)
		<u>£ 5,532,296</u>	<u>£ 5,303,285</u>
Capital and reserves			
Designated reserves	13	4,547,112	3,908,861
Revenue reserve	13	-	363,264
Total unrestricted reserves		4,547,112	4,272,125
Restricted reserves	13	985,184	1,031,160
		<u>£ 5,532,296</u>	<u>£ 5,303,285</u>

The financial statements were approved by the Board members on 16th October 2021 and signed on their behalf by:

I Norgett
Chairman



A Cramphorn
Treasurer



Company Registration Number: 00945603

The notes on pages 24 to 37 form part of these financial statements.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2021**

	Note	2021 £	(Restated) 2020 £
Cash flows from operating activities			
Surplus for the financial year		229,011	325,165
Depreciation		131,103	129,933
Social Housing Grant release		(52,945)	(52,945)
Interest received		(14,204)	(35,754)
Decrease/(increase) in debtors		347,241	(364,204)
(Decrease)/increase in creditors		(836,704)	874,985
Net cash (outflow)/inflow from operating activities		<u>(196,498)</u>	<u>877,180</u>
Cash flows from investing activities			
Interest received		14,204	35,754
Fixed asset additions		(12,870,278)	(3,423,372)
Decrease in investments		520,086	142,214
Grants received		647,500	2,858,518
Net cash outflow from investing activities		<u>(11,688,488)</u>	<u>(386,886)</u>
Cash flows from financing activities			
Increase in loans		9,346,430	271,085
Net cash Inflow from financing activities		<u>9,346,430</u>	<u>271,085</u>
(Decrease)/increase in cash and cash equivalents		<u>(2,538,556)</u>	<u>761,379</u>
Cash and cash equivalents at the beginning of the years		<u>2,572,868</u>	<u>1,811,489</u>
Cash and cash equivalents at end of year		<u>£ 34,312</u>	<u>£ 2,572,868</u>
Cash at bank at end of year		34,312	265,502
Cash equivalents at end of year (included within investments)		-	2,307,366
Cash and cash equivalents at end of year	22	<u>£ 34,312</u>	<u>£ 2,572,868</u>

The notes on pages 24 to 37 form part of these financial statements.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

1 GENERAL INFORMATION

The Society is registered under the Companies Act 2006, registered number 945603 as a company limited by guarantee and was incorporated on 8 January 1969. It is also registered under Section 13 of the Housing Act 1974 for the purpose of receiving grants and other forms of assistance. The Society is registered with the Charity Commission and is a Registered Social Landlord.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Statement of compliance and basis of accounting*

The principal accounting policies of the Society are set out in the following paragraphs. These financial statements are prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements are based on the National Federation of Housing Associations' "Statement of Recommended Practice" (Accounting by Registered Social Housing Providers), and the Statement of Recommended Practice "Accounting and Reporting by Charities" (as updated in October 2018) and comply with the Accounting Requirements for Registered Social Housing Providers Accounting Direction 2019.

(b) *Turnover*

Turnover represents rents and service charges receivable for the year from the Society's tenants, less deductions from income, including void losses. It also includes the release of deferred Social Housing Grant income (see below).

(c) *Social Housing grants*

In accordance with the SORP, social landlords that account for their housing properties at cost must recognise government grants in accordance with the accrual model. Social Housing Grants are therefore held on the Balance Sheet and released to income over the useful life of the housing properties. Where the grants relate to assets that are not depreciated, the underlying grant remains deferred and is not released. No improvement grants have been received.

(d) *Other grants*

In accordance with the SORP, government grants are recognised based on the accrual model (as the underlying assets are recorded at cost). Where the grants relate to assets, income is recognised on a systematic basis over the expected useful life of the asset. Where the grants relate to assets that are not depreciated, the underlying grant remains deferred and is not released. Non-government grants are recognised as income once the underlying performance conditions are met.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

(e) Donations

Donations are credited to the income and expenditure account on a receipts basis. Where applicable, donations in kind are valued by the Trustees at the date of receipt and are included at that value.

(f) Depreciation

(i) Housing land and buildings

Freehold land is not depreciated. Depreciation is charged so as to write down the cost of freehold housing properties other than freehold land to their estimated residual value on a straight-line basis over their expected useful economic life. Depreciation commences once an asset is brought into use.

(ii) Existing properties

Amounts are capitalised where required by the Statement of Recommended Practice. In doing so their useful economic lives are considered for the purposes of depreciation. Amounts capitalised are included within the fixed asset note whilst items of a revenue nature are charged to the Statement of Comprehensive Income. Whilst amounts capitalised comprise both replacement items and improvements, no distinction is made due to the similar nature of the relevant assets: the implications of this are not deemed to be material to the Society's financial statements.

(iii) Other fixed assets

Fixed assets are stated at cost or valuation, less depreciation. Depreciation is calculated to write off fixed assets, less estimated residual value, over their estimated useful lives at the following rates:

Freehold land and buildings:

• Freehold land	Nil
• Roofs	60 years
• Windows and doors	20 years
• Lifts	15 - 60 years
• Central heating and electrical systems	30 years
• Bathrooms	30 years
• Kitchens	20 years
• Buildings (residue)	60 years

Fixtures, fittings and equipment 10% to 20% on cost

In accordance with SORP the net cost of the building is broken down into its major components with each component depreciated over its useful life once the asset is brought into use.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

(g) *Taxation*

Abbeyfield Braintree, Bocking and Felsted Society Limited is a charity within the meaning of the Charities Act 2011 and as such is a charity within the meaning of Part 11, Corporation Tax Act 2010. Accordingly Abbeyfield Braintree, Bocking and Felsted Society Limited is potentially exempt from taxation in respect of income or gains received within categories covered by Part 11, Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied exclusively to its charitable purposes.

The Society is not registered for VAT. All expenditure in these accounts includes the relevant input VAT.

(h) *Financial instruments*

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets or financial liabilities:

- Short term debtors (financial assets) are measured at the transaction price.
- Short term creditors (financial liabilities) are measured at the transaction price.

(i) *Fund accounting/reserves*

Designated reserves are part of unrestricted reserves but have been earmarked by the Board for particular purposes. Such designations may be reversed by future Board decisions.

Restricted funds are amounts received where the donor has placed a specific restriction on the funds.

(j) *Public benefit entity*

The Society meets the definition of a public benefit entity as its primary purpose is to provide a service for social benefit. In addition, the Society's equity is provided with a view to supporting the entity's primary objectives rather than with a view to providing a financial return to equity providers, shareholders or members.

(k) *Going concern*

After reviewing the Society's forecasts and projections, the Trustees have a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future. The entity therefore continues to adopt the going concern basis in preparing its financial statements. Specific details in respect of COVID-19 and other matters are provided on the following page.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

(k) *Going concern (continued)*

The Society has been affected by certain restrictions imposed on its activities during the year relating to the spread of coronavirus. The impact of the virus will continue to have an effect on the economy during 2021 and it is therefore difficult to evaluate all of the potential implications on the Society's activities, those it seeks to support, its suppliers and the wider economy. However, revised cashflow forecasts have been prepared which anticipate that the Society will be able to continue to meet its liabilities as they fall due. In forming their view that the Society is a going concern, the trustees have also considered the closing position of the Society at 31 March 2021, which demonstrates factors such as strong levels of unrestricted funds. The trustees have also considered the net current liability position at 31 March 2021 and consider that the short term loan will be able to be settled after the year end as a result of income generated from the Polly's Field units.

(l) *Cash and cash equivalents*

Cash equivalents are recognised as such and included with other cash balances where they represent short term, highly liquid investments that are readily convertible to known amounts of cash without being subject to a significant change in value.

(m) *Investments*

Investments comprise cash deposits that are placed with approved institutions.

(n) *Apportionment of management expenses*

Direct employee, administration and operating costs have been apportioned within the Statement of Comprehensive Income on the basis of the costs of the staff directly engaged on the operations dealt with in these financial statements.

(o) *Significant judgements and estimates*

The Trustees are of the view that housing properties are correctly classified as tangible fixed assets, as opposed to investments or being disclosed under a separate heading. This decision is based on the fact that the income derived from these properties includes an element of social benefit.

(p) *Comparative balances*

Certain comparatives have been restated. This restatement has affected fixed assets and creditors and has had no net effect on funds brought forward at 1 April 2020.

(q) *Finance costs*

Loan arrangement fees are deducted against the underlying liability with the overall balance being released over the lifetime of the corresponding asset.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

3 TURNOVER

	2021 £	2020 £
Income from lettings and care		
Rent/service charges (net of bad debts)	1,246,394	1,191,326
Voids	(49,283)	(18,409)
Social Housing Grant release	52,945	52,945
Care package fees	275,806	264,692
	<u>1,525,862</u>	<u>1,490,554</u>
ECC Care provision	-	-
Turnover	<u><u>£ 1,525,862</u></u>	<u><u>£ 1,490,554</u></u>
 Service costs	 999,815	 888,733
Management costs	107,944	136,986
Repairs and maintenance costs	65,594	75,113
Depreciation	131,103	129,933
Other costs (net)	(189)	(1,084)
	<u>1,304,267</u>	<u>1,229,681</u>
Polly's Field development costs	45,976	32,174
Operating expenditure	<u><u>£ 1,350,243</u></u>	<u><u>£ 1,261,855</u></u>
 Operating surplus	 <u><u>£ 175,619</u></u>	 <u><u>£ 228,699</u></u>

The above includes costs of £45,976 (2020 - £32,174) in respect of restricted funds.

4 OPERATING SURPLUS

The surplus of income over expenditure is stated after charging:

	2021 £	2020 £
Depreciation	131,103	129,933
Auditor's remuneration	5,600	5,350
	<u><u>136,703</u></u>	<u><u>135,283</u></u>

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

5 OTHER INCOME

Included within other income is £nil (2020 - £8,054) in respect of restricted funds.

6 STAFF COSTS

	2021 £	2020 £
Wages and salaries	818,043	708,712
Social security costs	45,954	40,685
	<u>£ 863,997</u>	<u>£ 749,397</u>

The average weekly number of employees, including unpaid Committee members and part-time employees, during the year is made up as follows:

	No	No
Executive Committee	8	8
Operations Manager	1	1
Senior Personnel	4	4
Housekeepers, Support workers, Carers and Domestic Helpers	59	53
	<u>72</u>	<u>66</u>

No employee (2020 – no employee) received emoluments of more than £60,000.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

7 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Fixtures, fittings and equipment £	Total £
Cost or valuation			
At 1 April 2020 (Restated)	10,591,787	755,587	11,347,374
Additions	12,870,278	-	12,870,278
At 31 March 2021	23,462,065	755,587	24,217,652
Depreciation			
At 1 April 2020	2,035,520	714,726	2,750,246
Charge for the year	123,621	7,482	131,103
At 31 March 2021	2,159,141	722,208	2,881,349
Net book values			
At 31 March 2021	<u>£ 21,302,924</u>	<u>£ 33,379</u>	<u>£ 21,336,303</u>
At 31 March 2020	<u>£ 8,556,267</u>	<u>£ 40,861</u>	<u>£ 8,597,128</u>

Freehold housing land and buildings comprise the following:

- Wickham House, 338/340 Coggeshall Road, Braintree.
- Great Bradfords House, 159 Coggeshall Road, Braintree.
- Land at Church Lane, Bocking.
- Felsted House, Jollyboys Lane, Felsted.

The land at Church Lane, Bocking and 159 Coggeshall Road, Braintree, which were donated to the Society are included in "cost or valuation" above, at a valuation by the Executive Committee of £12,000 and £450,000 respectively, with that for 159 Coggeshall Road, Braintree, now incorporated as part of the costs of the Great Bradfords Extra Care Scheme.

Included above in freehold land and buildings is an amount of £527,655 for Felsted House which is not depreciated as the expenditure on repairs ensures that the estimated residual value of the property at the balance sheet date is not less than the book amount.

Included above in freehold land and buildings is an amount of £243,131 which relates to capitalised interest.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

8 INVESTMENTS

General investments comprise amounts invested with approved institutions. These are as follows:

	2021	2020
Cash deposits	<u>£ -</u>	<u>£ 2,827,452</u>

9 DEBTORS

	2021 £	2020 £
Prepayments	7,885	7,885
Rent debtors	30,211	21,541
Other debtors	7,939	363,850
	<u>£ 46,035</u>	<u>£ 393,276</u>

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	24,511	883,563
Other taxes and social security costs	35,572	30,020
Accruals and deferred income	79,455	67,705
Other creditors	28,078	23,032
Loan due to The Abbeyfield Society	50,000	-
Bank loan (secured – see note 21)	9,567,515	-
	<u>£ 9,785,131</u>	<u>£ 1,004,320</u>

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	(Restated) 2020
Deferred income	6,099,223	5,504,668
Bank loan (secured – see note 21)	-	271,085
	<u>£ 6,099,223</u>	<u>£ 5,775,753</u>

Included within creditors due after more than one year is an amount of £5,887,447 (2020 - £5,292,896) due after more than five years.

12 COMPANY LIMITED BY GUARANTEE

The Company does not have share capital and is limited by the guarantee of its members. If the Company is dissolved while each person remains a member, each member's liability is limited to a sum not exceeding £1.

ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED SOCIETY LIMITED

(Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2021

13 ANALYSIS OF FUNDS

	Balance 1.4.20 £	(Deficit)/ surplus for the year £	Transfers £	Balance 31.3.21 £
Restricted funds				
Polly's Field	1,031,160	(45,976)	-	985,184
Designated funds				
Polly's Field	824,504	-	676,411	1,500,915
Major Repairs - Felsted House	147,742	-	20,000	167,742
Refurbishment of Great Bradfords House	434,730	-	-	434,730
Refurbishment of Wickham House	307,960	-	20,000	327,960
Upgrade of bathrooms	250,000	-	-	250,000
Fixed Asset Fund	1,943,925	-	(78,160)	1,865,765
	3,908,861	-	638,251	4,547,112
Income and expenditure account				
Revenue Reserve	363,264	274,987	(638,251)	-
Total reserves	£ 5,303,285	£ 229,011	£ -	£ 5,532,296

Polly's Field	Restricted and designated reserve are in respect of the development of an additional facility.
Major Repairs – Felsted House	Reserve for the repair of Felsted House.
Refurbishment of Great Bradfords House	Reserve to provide for the refurbishment of Great Bradfords House anticipated every 10 years.
Refurbishment of Wickham House	Reserve to provide for the refurbishment of Wickham House anticipated every 10 years.
Upgrade of bathrooms	Reserve for the future refitting of tenants' bathrooms.
Fixed Asset Fund	Reserve created which mirrors the net book value of the Society's assets net of the social housing grants and Polly's Field net book value.
Revenue Reserve	Reserve to meet the ongoing operations of the Society.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

14 RECONCILIATION OF NET ASSETS BETWEEN FUNDS

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Fixed assets	7,277,586	14,058,717	21,336,303
Current assets	80,347	-	80,347
Current liabilities	(217,616)	(9,567,515)	(9,785,131)
Long term liabilities	(2,593,205)	(3,506,018)	(6,099,223)
	<u>£ 4,547,112</u>	<u>£ 985,184</u>	<u>£ 5,532,296</u>

15 SOCIAL HOUSING GRANTS

Social Housing Grants received in respect of completed properties are released over the life of the property, except for Felsted House as this property is not depreciated:

	2021 £	2020 £
Great Bradfords House	2,082,503	2,128,780
Wickham House	213,332	220,000
Felsted House	350,315	350,315
	<u>£ 2,646,150</u>	<u>£ 2,699,095</u>

Included within:	2021 £	2020 £
Deferred income within one year	52,945	52,945
Deferred income two to five years	211,778	211,772
Deferred income after five years	2,381,427	2,434,378
	<u>£ 2,646,150</u>	<u>£ 2,699,095</u>

Additional government grants amounting to £647,500 (2020 - £2,858,518) were received during the year in respect of Polly's Field totalling £3,506,018 at 31 March 2021. This has all been deferred at 31 March 2021 and is deemed to fall due after more than one year. This has not been reflected in the figures in Note 15 above as the Polly's Field property has not yet been brought in to use.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

16 RELATED PARTY TRANSACTIONS

The Society paid travel expenses in respect of the following Trustees:

	2021	2020
R Hackett	<u>£ -</u>	<u>£ 272</u>
A Cramphorn	<u>£ 44</u>	<u>£ 746</u>
M Quaife	<u>£ 152</u>	<u>£ 90</u>
J Perry	<u>£ 82</u>	<u>£ 270</u>
I Norgett	<u>£ 145</u>	<u>£ -</u>

No Trustee received any other remuneration during the year (2020 - £Nil).

All transactions are conducted on an arm's length basis.

Senior management team remuneration totalled £161,562 (2020 - £147,259).

17 CONTROL

The Society is controlled by its Board.

18 ACCOMMODATION IN MANAGEMENT

	2021	2020
Number of units of housing accommodation At 1 April 2020 and 31 March 2021	<u>66</u>	<u>66</u>

Wickham House provides 17 (2020 - 17) studios.

Great Bradfords House provides 33 (2020 - 33) one bedroom flats and 2 (2020 - 2) two bedroom flats.

Felsted House provides 14 (2020 - 14) studios.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

19 FINANCIAL INSTRUMENTS

	2021	(Restated) 2020
Financial assets measured at the transaction price	<u>£ 30,461</u>	<u>£ 21,791</u>
Financial liabilities measured at the transaction price	<u>£ 15,845,315</u>	<u>£ 6,746,585</u>

Further details regarding financial instruments are included within Note 2(h) of the Accounting Policies.

20 CAPITAL COMMITMENTS

At the year end the Society was committed to expenditure of £7,356,293 (2020 - £19,360,460) in relation to development works being undertaken on Polly's Field, of which grant funders had committed to provide £1,035,000 (2020 - £1,035,000) of funding to offset this at the balance sheet date.

21 LOAN SECURITY

During the prior year, the Society entered into a loan agreement to fund the construction work being undertaken on Polly's Field. A fixed and floating charge was placed over all assets held by the Society and remains in place.

22 ANALYSIS OF CHANGES IN NET DEBT

	Balance at 1 April 2020 £	Cash flows £	Other non-cash changes £	Balance at 31 March 2021 £
Cash	265,502	(231,190)	-	34,312
Cash equivalents	2,307,366	(2,307,366)	-	-
Cash and cash equivalents	2,572,868	(2,538,556)	-	34,312
Loans	(271,085)	(9,346,430)	-	(9,617,515)
	<u>£ 2,301,783</u>	<u>£ (11,884,986)</u>	<u>£ -</u>	<u>£ (9,583,203)</u>

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

23 STATEMENT OF COMPREHENSIVE INCOME – YEAR ENDED 31 MARCH 2020

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Turnover	1,490,554	-	1,490,554
Operating expenditure	(1,229,681)	(32,174)	(1,261,855)
Operating surplus	260,873	(32,174)	228,699
Other income			
Other interest receivable and similar income	35,754	-	35,754
Donations	47,204	8,054	55,258
Sundry income	5,454	-	5,454
Total comprehensive income for the year	349,285	(24,120)	325,165
Net transfer to designated reserves	(256,781)	-	(256,781)
Total comprehensive Income for the year after transfers	<u>£ 92,504</u>	<u>£ (24,120)</u>	<u>£ 68,384</u>

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

MANAGEMENT INFORMATION
YEAR ENDED 31 MARCH 2021

**The following pages do not form part of the statutory financial statements
which are subject of the independent auditor's report on pages 16 to 19.**

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED
SOCIETY LIMITED**
(Company Limited by Guarantee)

**DETAILED INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 2021**

	Great Bradford's House £	Wickham House £	Felsted House £	Total 2021 £	2020 £
Income					
Rent/service charges to residents	588,799	352,931	304,664	1,246,394	1,191,326
Voids	(12,206)	(16,380)	(20,697)	(49,283)	(18,409)
Social Housing Grant Release	46,278	6,667	-	52,945	52,945
Care package fees	275,388	-	418	275,806	264,692
	<u>898,259</u>	<u>343,218</u>	<u>284,385</u>	<u>1,525,862</u>	<u>1,490,554</u>
ECC Care Provision				-	-
Total income				<u>1,525,862</u>	<u>1,490,554</u>
Expenditure					
Management and administration	55,871	30,616	21,457	107,944	136,986
Depreciation	87,889	24,200	19,014	131,103	129,933
Repairs and maintenance	40,985	11,124	13,485	65,594	75,113
Service costs	617,508	218,330	163,977	999,815	888,733
Guest Suite income	(189)	-	-	(189)	(1,084)
	<u>802,064</u>	<u>284,270</u>	<u>217,933</u>	<u>1,304,267</u>	<u>1,229,681</u>
Polly's Field development costs (restricted)				<u>45,976</u>	<u>32,174</u>
Total expenditure				<u>1,350,243</u>	<u>1,261,855</u>
Surplus for the year before additional Society income				<u>175,619</u>	<u>228,699</u>
Additional Society Income					
Bank deposit interest received				14,204	35,754
Donation from Abbeyfield				-	20,864
Bishop's Stortford				3,947	5,454
Sundry income					
Other donations: Polly's Field:				35,241	26,340
Unrestricted				-	8,054
Restricted					
Total additional net income				<u>53,392</u>	<u>96,466</u>
Surplus for the year (before transfers)				<u>£ 229,011</u>	<u>£ 325,165</u>

ABBEYFIELD BRAINTREE, BOCKING AND FELSTED SOCIETY LIMITED

(Company Limited by Guarantee)

DETAILED INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 31 MARCH 2021

	Great Bradford's House £	Wickham House £	Felsted House £	Total 2021 £	2020 £
Management and administration					
Rates and water	7,711	4,617	4,761	17,089	18,489
Property insurance	9,411	5,882	4,705	19,998	18,078
Audit and accountancy	2,997	1,873	1,124	5,994	5,376
Affiliation fee	9,087	5,430	3,656	18,173	17,900
Telephone	2,106	1,257	1,009	4,372	4,260
Advertising	805	465	281	1,551	1,419
Travel	141	314	79	534	1,436
Printing, postage and stationery	219	419	441	1,079	3,424
Legal and professional fees	1,200	4,818	35	6,053	9,110
General	1,485	1,117	535	3,137	16,474
Bank charges	852	521	331	1,704	1,555
Garden upkeep	2,450	2,549	3,544	8,543	9,165
Training	-	-	144	144	4,394
Bookkeeping	2,166	1,354	812	4,332	4,569
Care costs (excluding staff costs)	15,241	-	-	15,241	21,337
	<u>55,871</u>	<u>30,616</u>	<u>21,457</u>	<u>107,944</u>	<u>136,986</u>
Depreciation	<u>87,889</u>	<u>24,200</u>	<u>19,014</u>	<u>131,103</u>	<u>129,933</u>
Repairs and maintenance	<u>40,985</u>	<u>11,124</u>	<u>13,485</u>	<u>65,594</u>	<u>75,113</u>
Service costs					
Wages and national insurance	193,683	171,990	124,400	490,073	351,666
Wages and national insurance - care staff	357,952	-	-	357,952	291,795
Recruitment expenses	2,157	256	203	2,616	3,055
Housekeeping and catering	30,048	20,977	21,098	72,123	118,989
Tunstall	-	-	-	-	4,657
Light and heat	26,822	15,422	9,722	51,966	44,215
Cleaning	4,213	2,908	2,358	9,479	11,722
Support costs	2,633	6,777	6,196	15,606	62,634
	<u>617,508</u>	<u>218,330</u>	<u>163,977</u>	<u>999,815</u>	<u>888,733</u>