

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

*Current*

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

**(Company Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**31 MARCH 2022**

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

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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**

<b>Board (Directors/Trustees)</b>	Ian Norgett (Chairman)
	Anthony Cramphorn (Treasurer)
	David Summersgill
	Barbara Guest
	Martin Quaife (Resigned 20 July 2022)
	Iain Lee
	Catharine Hutley
	Janet Perry

<b>Company Secretary</b>	Michele Quaife MBE
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<b>Senior Personnel</b>	Michele Quaife MBE - Operations Manager
	Dot Wheeler - Registered Care Manager
	Diane Fitzgerald - Marketing Manager
	Lyndsay Parker (Appointed 1 October 2021)
	- Manager, Polly's Field
	Alison Goldstein (Appointed 1 October 2021)
	- Manager, Great Bradfords House
	Sandra Ryder - Manager, Wickham House
	Cass Murray - Manager, Felsted House

<b>Location of Residential Sites</b>	Polly's Field Village
	Church Lane
	Braintree
	Essex
	CM7 5XD
	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:**

<b>Company</b>	00945603
<b>Charity</b>	257782
<b>Housing Corporation</b>	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 2022**

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 2022, 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 an 'extra care' estate at Great Bradfords House, 159 Coggeshall Road, in Braintree, and newly opened in January 2022 a Retirement Living and Extra Care scheme named Polly's Field Village in Church Lane, Bocking, 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 and Polly's Field provides 39 one bed-room and 60 two bed-room flats of which 37 are deemed to be 'affordable' and thus nominated to the Local Authority for occupation as social housing with the remainder being offered for sale as fully owned or part share (part owned, part rented), and a small number fully rented.

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

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

**DIRECTORS' STRATEGIC REPORT  
YEAR ENDED 31 MARCH 2022**

**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.

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 2021 were Mr D Summersgill and Mr M Quaife and being eligible were duly re-elected to the Board. The Directors retiring at the next Annual General Meeting will be Mr I Norgett, Mrs C Hutley and Mr I Lee, all 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.

Other sub-committees are formed as required and are responsible for Safeguarding, Fund-raising, and Procurement.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED  
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**DIRECTORS' STRATEGIC REPORT  
YEAR ENDED 31 MARCH 2022**

Day to day management of the charity is performed by the Operations Manager, the Registered Care Manager, Managers of Polly's Field Village, Great Bradfords House, 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 encourage the sharing of existing skills among residents and to facilitate new skills for all residents.
- 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 marketplace.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED  
SOCIETY LIMITED**  
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**DIRECTORS' STRATEGIC REPORT  
YEAR ENDED 31 MARCH 2022**

**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.

The first of these risks has increased, partly as a consequence of the recent lockdown and the impact of COVID-19, which appears to have generated a reluctance to any change in lifestyle such as a move to sheltered housing, and partly due the availability of so many new flats at Polly's Field. As to the second, the risk is diminishing almost weekly due to the effectiveness of the marketing campaign to sell leases on the flats in the new development. At the date of the accounts year end commitments to purchase or rent approximately 40 flats had been concluded and by the end of July 2022 some 75% of the new flats were occupied.



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YEAR ENDED 31 MARCH 2022**

The remaining risk of excessive voids still rests largely with the Local Authority who have a considerable way to go finding tenants for the 'affordable' flats. The Society will continue to press them to fill the Social Housing allocation of flats in a timely manner.

The recent appointment of an Assistant Marketing Manager with previous skills in selling new homes has been a great success in finding new residents for Polly's Field. In addition, there is a monthly budget report and voids schedule circulated to all Directors and Managers.

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 2022**

As in the 2021 report the two main issues of the year continued to be the impact of the COVID-19 pandemic and the construction process of the Polly's Field Village development scheme.

COVID affected the Society's 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. There were more voids arising in the year than in almost any previous year. 2,042 void days against a budget of 852. And these proved hard to fill as referred to above. The cost of these voids is valued at £102,882 in the accounts or approximately 8% of turnover from rent/service charges.

Practical Completion of Polly's Field Village took place on January 25<sup>th</sup>, 2022, some 6 weeks ahead of the contract deadline with the new management team moving in two or three weeks ahead of the first residents. The Bistro and Hair and Beauty salon opened soon after. The landscape contractor's progress was curtailed by the season and the greenhouse was still at an early stage and unfinished. Sales of the 62 flats by then were well advanced as already mentioned. There remained the usual lengthy list of snagging items to be resolved.

Business at the Society's other Houses continued uninterrupted though capital expenditure has been almost stopped to preserve funds for Polly's Field. Fortunately, due to having previously carried out a lot of maintenance and refurbishment work elsewhere, this did not prove to be a problem.

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

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED  
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**DIRECTORS' STRATEGIC REPORT  
YEAR ENDED 31 MARCH 2022**

**Financial review**

Voids have been mentioned earlier in this report.

Rental Income, on a like for like basis and net of voids, was almost exactly the same as in 2020/21, which given the voids situation was a satisfactory result.

Care package fees for the year were up slightly on 2020/21.

Expenditure on a like for like basis, was up by 7.74% with the largest increase being in wages and housekeeping. These increases were largely due to the need to set up the management team for Polly's Field some two months prior to practical completion and then to employ care cleaning and security staff plus all their associated costs in advance of having residents in occupation, plus associated expenses naturally to be incurred in any new venture.

Income and expenditure incurred by the operation of Polly's Field in the six or seven weeks of the financial year were considered by the Auditors to be not material to these accounts but will form a major component in future.

In terms of the Balance Sheet, Tangible Fixed Assets freehold land and buildings have benefitted by the addition of £9,436,092. This relates entirely to the development costs of Polly's Field.

Creditors now stand at £9,580,502, the vast bulk of which relates to the development bank loan.

Overall, the surplus for the year was £208,298, marginally less than in the previous year, but which, given the fact that the year included many of the start-up costs of a new venture and almost none of the projected income, 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 65 elderly and largely vulnerable adults. There was no provision for respite care in the period. At 31 March 2022 there were 20 residents in receipt of Local Authority funding.

Staff turnover was 7% 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. Once again expenditure in the year in question was kept as low as possible 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.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED  
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**DIRECTORS' STRATEGIC REPORT  
YEAR ENDED 31 MARCH 2022**

**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.

These are as follows:

1. Reinvestment 30.82%	Target 30.82%
2. New supply delivered (social housing units) 35.9%	Target 35.9%
New supply delivered (non-social housing units) 37.6%	Target 37.6%
3. Gearing 39.5%	Target 39.5%
4. EBITDA n/a	Target n/a
5. Headline social cost per unit £100,115	Target £100,115
6. Operating Margin – Overall 9.42%	Target 9.01%
7. Return on capital employed 7.36%	Target 6.3%

Metric 4 strictly does not apply in the Society's case as it seeks to compare the level of the surplus with interest payable in the year in question there was no long-term finance in place and thus no interest paid.

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.

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.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED  
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**DIRECTORS' STRATEGIC REPORT  
YEAR ENDED 31 MARCH 2022**

**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 will amount to approximately £1,185,500 when Polly's Field is fully occupied. 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. As shown in note 12, there are unrestricted Revenue Reserves of £750,000 this year.

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 2022 the Society's total reserves amounted to £5,740,594. Of this, £875,553 represents restricted funds and £4,115,041 represents unrestricted designated 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. The Society currently has no such funds.

**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, would be a member of the Institute of Professional Fund Raisers, and be bound by their fundraising standards.

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

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED  
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**DIRECTORS' STRATEGIC REPORT  
YEAR ENDED 31 MARCH 2022**

**Plans for the immediate and short-term future**

The Directors approved a new operational priority schedule in March 2022 for the period ahead through 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, three immediate operational priorities were approved for implementation in this financial year:

1. Upgrading the Society's IT installation to provide a VPN across all Society premises.
2. To complete the upper terrace at Polly's Field with safety balustrading, easi-grass and a selection of leisure outdoor furniture.
3. Install modern CCTV security systems at the other three houses.

Among the next short-term objectives are the following:

1. To encourage a range of open air games such as Boules at Polly's Field, and to plan for a stage in the Village Hall.
2. To replace the wooden pergola at Wickham House with a steel one and incorporate balconies to the upstairs affected rooms.
3. To establish a Hardship Fund to assist those residents who have limited access to finance.
4. When funds permit to replace the Tunstall system with Appello.
5. To move the Society banking from Barclays to Handelsbanken.

Of the four immediate operational priorities referred to last year, only the provision of a VPN installation was deferred pending the completion of Polly's Field Village and there being sufficient funds available.

**2022/23 and beyond**

The biggest concern following the overcoming of the COVID pandemic is that of filling voids. The public seem still to be reluctant to get out and visit establishments such as our existing schemes, this will continue to have an impact on our revenue stream. Fortunately, this has not stopped potential residents from taking an interest in the new Village.

The expansion of the Society has enabled it to bring some out-sourced functions in-house, such as book-keeping, and will 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. One notable success story has been the recent appointment of a professional HR firm to guide and advise senior staff in every aspect of staff management and motivation.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED  
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**DIRECTORS' STRATEGIC REPORT  
YEAR ENDED 31 MARCH 2022**

**Finally**

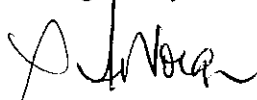
None of this is possible without the full co-operation of the Directors, and their willingness to participate, voluntarily, in the many functions and activities demanded of a progressive and successful charity such as Abbeyfield Braintree, Bocking and Felsted Society Limited.

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

*10th October 2022*



**I. Norgett**  
Chairman

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

**DIRECTORS' REPORT**  
**YEAR ENDED 31 MARCH 2022**

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 2021 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 (Resigned 20 July 2022)  
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  
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**DIRECTORS' REPORT**  
**YEAR ENDED 31 MARCH 2022**

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

*11th October 2022*



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

**YEAR ENDED 31 MARCH 2022**

## **Opinion**

We have audited the financial statements of Abbeyfield Braintree, Bocking and Felsted Society Limited (the 'Society') for the year ended 31 March 2022 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 2022 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 2022**

## **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 2022**

## **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.

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 2022**

## **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

20/10/22

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

**STATEMENT OF COMPREHENSIVE INCOME  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Turnover</b>	<b>3</b>	<b>1,672,306</b>	<b>-</b>	<b>1,672,306</b>	<b>1,525,862</b>
Operating expenditure	3	(1,405,168)	(109,631)	(1,514,799)	(1,350,243)
<b>Operating surplus</b>	<b>3, 4</b>	<b>267,138</b>	<b>(109,631)</b>	<b>157,507</b>	<b>175,619</b>
<b>Other income</b>					
Other interest receivable and similar income	5	-	-	-	14,204
Donations	5	47,977	-	47,977	35,241
Sundry income	5	2,814	-	2,814	3,947
<b>Total comprehensive income for the year</b>	<b>12</b>	<b>317,929</b>	<b>(109,631)</b>	<b>208,298</b>	<b>229,011</b>
Net transfer to designated reserves	12	432,071	-	432,071	(638,251)
<b>Total comprehensive income for the year after transfers</b>		<b><u>£ 750,000</u></b>	<b><u>£ (109,631)</u></b>	<b><u>£ 640,369</u></b>	<b><u>£ (409,240)</u></b>

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 2021 is included within note 23.

The notes on pages 23 to 35 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 2022**

	<b>Designated reserves £</b>	<b>Unrestricted Income and expenditure account £</b>	<b>Restricted reserves £</b>	<b>Total £</b>
At 1 April 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	4,547,112	-	985,184	5,532,296
Surplus/(deficit) for 2021/22	-	317,929	(109,631)	208,298
Transfers between funds for 2021/22	(432,071)	432,071	-	-
At 31 March 2022	<u>£ 4,115,041</u>	<u>£ 750,000</u>	<u>£ 875,553</u>	<u>£ 5,740,594</u>

The notes on pages 23 to 35 form part of these financial statements.

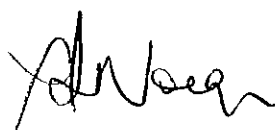
**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED  
SOCIETY LIMITED**  
(Company Limited by Guarantee)

**BALANCE SHEET  
AS AT 31 MARCH 2022**

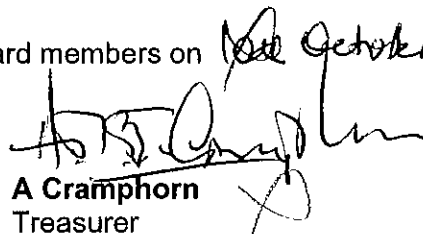
	Notes	2022 £	2021 £
<b>Fixed assets</b>			
Housing properties	7	30,615,395	21,302,924
Other fixed assets	7	25,952	33,379
Total tangible fixed assets		<u>30,641,347</u>	<u>21,336,303</u>
<b>Current assets</b>			
Debtors	8	46,310	46,035
Cash at bank and in hand		278,036	34,312
		<u>324,346</u>	<u>80,347</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>(9,580,502)</u>	<u>(9,785,131)</u>
<b>Net current liabilities</b>		<u>(9,256,156)</u>	<u>(9,704,784)</u>
<b>Total assets less current liabilities</b>		<u>21,385,191</u>	<u>11,631,519</u>
<b>Creditors: amounts falling due after more than one year</b>	10	<u>(15,644,597)</u>	<u>(6,099,223)</u>
		<u><u>£ 5,740,594</u></u>	<u><u>£ 5,532,296</u></u>
<b>Capital and reserves</b>			
Designated reserves	12	4,115,041	4,547,112
Revenue reserve	12	750,000	-
Total unrestricted reserves		<u>4,865,041</u>	<u>4,547,112</u>
Restricted reserves	12	<u>875,553</u>	<u>985,184</u>
		<u><u>£ 5,740,594</u></u>	<u><u>£ 5,532,296</u></u>

The financial statements were approved by the Board members on 10th October 2022 and signed on their behalf by:

**I Norgett**  
Chairman



**A Cramphorn**  
Treasurer



Company Registration Number: 00945603

The notes on pages 23 to 35 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 2022**

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Surplus for the financial year		208,298	229,011
Depreciation		131,048	131,103
Social Housing Grant release		(52,945)	(52,945)
Interest received		-	(14,204)
(Increase)/decrease in debtors		(275)	347,241
Increase/(decrease) in creditors		10,209,545	(836,704)
<b>Net cash inflow/(outflow) from operating activities</b>		<b>10,495,671</b>	<b>(196,498)</b>
<b>Cash flows from investing activities</b>			
Interest received		-	14,204
Fixed asset additions		(9,436,092)	(12,870,278)
Decrease in investments		-	520,086
Grants received		387,500	647,500
<b>Net cash outflow from investing activities</b>		<b>(9,048,592)</b>	<b>(11,688,488)</b>
<b>Cash flows from financing activities</b>			
(Decrease)/increase in loans		(1,203,355)	9,346,430
<b>Net cash (outflow)/inflow from financing activities</b>		<b>(1,203,355)</b>	<b>9,346,430</b>
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>243,724</b>	<b>(2,538,556)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>34,312</b>	<b>2,572,868</b>
<b>Cash and cash equivalents at the end of year</b>		<b>£ 278,036</b>	<b>£ 34,312</b>
<b>Cash at bank at the end of the year</b>		<b>278,036</b>	<b>34,312</b>
<b>Cash equivalents at the end of the year</b>		<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at end of year</b>	<b>21</b>	<b>£ 278,036</b>	<b>£ 34,312</b>

The notes on pages 23 to 35 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 2022**

**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 and the release of other deferred income. In respect to the sales of the Polly's Field units, income is deferred but there is a 1% annual release to income, pro rated over the number of complete months of the residents' ownership. This 1% annual release will continue for a period up to 10 years, or sooner if the Society regains ownership of the units.

**(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 2022**

**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	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
• Polly's Field assets	60 years
• Fixtures, fittings and equipment	10% to 20% on cost

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

Freehold land and buildings include capitalised interest, where relevant.

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

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2022**

**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, being able to meet all liabilities as they fall due. The entity therefore continues to adopt the going concern basis in preparing its financial statements.

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

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2022**

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)**

**(k) *Going concern (continued)***

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 2022, which demonstrates factors such as strong levels of unrestricted funds. The trustees have also considered the net current liability position at 31 March 2022 and would note that the significant short-term loan balance at 31 March 2022 has been replaced by a longer-term financing structure in the new financial year.

**(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) *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.

**(n) *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.

**(o) *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 2022**

**3 TURNOVER**

	2022 £	2021 £
<b>Income from lettings and care</b>		
Rent/service charges (net of bad debts)	1,297,366	1,246,394
Voids	(102,882)	(49,283)
Social Housing Grant release	52,945	52,945
	<u>1,247,429</u>	<u>1,250,056</u>
Care package fees	287,180	275,806
Polly's Field income	137,697	-
	<u>£ 1,672,306</u>	<u>£ 1,525,862</u>
<b>Turnover</b>		
Service costs	1,091,274	999,815
Management costs	108,302	107,944
Repairs and maintenance costs	75,766	65,594
Depreciation	131,048	131,103
Other costs (net)	(1,222)	(189)
	<u>1,405,168</u>	<u>1,304,267</u>
Polly's Field development costs	109,631	45,976
	<u>£ 1,514,799</u>	<u>£ 1,350,243</u>
<b>Operating expenditure</b>		
<b>Operating surplus</b>	<u>£ 157,507</u>	<u>£ 175,619</u>

The above includes costs of £109,631 (2021 - £45,976) in respect of restricted funds.

**4 OPERATING SURPLUS**

The surplus of income over expenditure is stated after charging:

	2022 £	2021 £
Depreciation	131,048	131,103
Auditor's remuneration	6,530	5,600

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

**(Company Limited by Guarantee)**

## **NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022**

### **5 OTHER INCOME**

Included within other income is £nil (2021 - £Nil) in respect of restricted funds.

### **6 STAFF COSTS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>876,485</b>	818,043
Social security costs	<b>52,290</b>	45,954
	<b><u>£ 928,775</u></b>	<b><u>£ 863,997</u></b>

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

	<b>No</b>	<b>No</b>
Executive Committee	<b>8</b>	8
Operations Manager	<b>1</b>	1
Senior Personnel	<b>6</b>	4
Housekeepers, Support workers, Carers and Domestic Helpers	<b>59</b>	59
	<b><u>74</u></b>	<b><u>72</u></b>

No employee (2021 – 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 2022**

**7 TANGIBLE FIXED ASSETS**

	<b>Freehold land and buildings £</b>	<b>Fixtures, fittings and equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 April 2021	23,462,065	755,587	24,217,652
Additions	9,436,092	-	9,436,092
At 31 March 2022	32,898,157	755,587	33,653,744
<b>Depreciation</b>			
At 1 April 2021	2,159,141	722,208	2,881,349
Charge for the year	123,621	7,427	131,048
At 31 March 2022	2,282,762	729,635	3,012,397
<b>Net book values</b>			
At 31 March 2022	<u>£ 30,615,395</u>	<u>£ 25,952</u>	<u>£ 30,641,347</u>
At 31 March 2021	<u>£ 21,302,924</u>	<u>£ 33,379</u>	<u>£ 21,336,303</u>

Freehold housing land and buildings comprise the following:

- Wickham House, 338/340 Coggeshall Road, Braintree.
- Great Bradfords House, 159 Coggeshall Road, Braintree.
- Felsted House, Jollyboys Lane, Felsted.
- Polly's Field Village, Church Lane, Bocking, Braintree.

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.

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

(Company Limited by Guarantee)

## **NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022**

### **8 DEBTORS**

	<b>2022 £</b>	<b>2021 £</b>
Prepayments	<b>7,885</b>	7,885
Rent debtors	<b>30,751</b>	30,211
Other debtors	<b>7,674</b>	7,939
	<b><u>£ 46,310</u></b>	<b><u>£ 46,035</u></b>

### **9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2022 £</b>	<b>2021 £</b>
Trade creditors	<b>899,076</b>	24,511
Other taxes and social security costs	<b>44,228</b>	35,572
Accruals and deferred income	<b>193,243</b>	79,455
Other creditors	<b>29,155</b>	28,078
Loan due to The Abbeyfield Society	-	50,000
Bank loan (secured)	<b>8,414,800</b>	9,567,515
	<b><u>£ 9,580,502</u></b>	<b><u>£ 9,785,131</u></b>

### **10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2022 £</b>	<b>2021 £</b>
Deferred income	<b><u>£ 15,644,597</u></b>	<b><u>£ 6,099,223</u></b>

Included within creditors due after more than one year is an amount of £15,153,704 (2021 - £5,887,447) due after more than five years.

### **11 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**  
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**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2022**

**12 ANALYSIS OF FUNDS**

	<b>Balance 1.4.21 £</b>	<b>(Deficit)/ surplus for the year £</b>	<b>Transfers £</b>	<b>Balance 31.3.22 £</b>
<b>Restricted funds</b>				
Polly's Field	985,184	(109,631)	-	875,553
<b>Designated funds</b>				
Polly's Field	1,500,915	-	(393,966)	1,106,949
Major Repairs - Felsted House	167,742	-	20,000	187,742
Refurbishment of Great Bradfords House	434,730	-	-	434,730
Refurbishment of Wickham House	327,960	-	20,000	347,960
Upgrade of bathrooms	250,000	-	-	250,000
Fixed Asset Fund	1,865,765	-	(78,105)	1,787,660
	4,547,112	-	(432,071)	4,115,041
<b>Income and expenditure account</b>				
Revenue Reserve	-	317,929	432,071	750,000
<b>Total reserves</b>	<b>£ 5,532,296</b>	<b>£ 208,298</b>	<b>£ -</b>	<b>£ 5,740,594</b>

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.

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**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2022**

**13 RECONCILIATION OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted 2022 £</b>	<b>Restricted 2022 £</b>	<b>Total 2022 £</b>
Fixed assets	17,457,476	13,183,871	30,641,347
Current assets	324,346	-	324,346
Current liabilities	(1,165,702)	(8,414,800)	(9,580,502)
Long term liabilities	(11,751,079)	(3,893,518)	(15,644,597)
	<u>£ 4,865,041</u>	<u>£ 875,553</u>	<u>£ 5,740,594</u>

**14 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:

	<b>2022 £</b>	<b>2021 £</b>
Great Bradfords House	2,036,227	2,082,503
Wickham House	206,666	213,332
Felsted House	350,315	350,315
	<u>£ 2,593,208</u>	<u>£ 2,646,150</u>

<b>Included within:</b>	<b>2022 £</b>	<b>2021 £</b>
Deferred income within one year	52,945	52,945
Deferred income two to five years	211,778	211,778
Deferred income after five years	2,328,485	2,381,427
	<u>£ 2,593,208</u>	<u>£ 2,646,150</u>

Additional government grants amounting to £387,500 (2021 - £647,500) were received during the year in respect of Polly's Field totalling £3,893,518 at 31 March 2022. This has all been deferred at 31 March 2022 and is deemed to fall due after more than one year. This has not been reflected in the figures in Note 14 above as the Polly's Field property has not fully been brought in to use at 31 March 2022.

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**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2022**

**15 RELATED PARTY TRANSACTIONS**

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

	<b>2022</b>	<b>2021</b>
A Cramphorn	<u><b>£ 264</b></u>	<u><b>£ 44</b></u>
M Quaife	<u><b>£ -</b></u>	<u><b>£ 152</b></u>
J Perry	<u><b>£ -</b></u>	<u><b>£ 82</b></u>
I Norgett	<u><b>£ -</b></u>	<u><b>£ 145</b></u>

No Trustee received any other remuneration during the year (2021 - £Nil).

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

Senior management team remuneration totalled £196,732 (2021 - £161,562).

**16 CONTROL**

The Society is controlled by its Board.

**17 ACCOMMODATION IN MANAGEMENT**

	<b>2022</b>	<b>2021</b>
Number of units of housing accommodation At 1 April 2021 and 31 March 2022	<u><b>66</b></u>	<u><b>66</b></u>

Wickham House provides 17 (2020 - 17) studios.

Great Bradfords House provides 33 (2021 - 33) one bedroom flats and 2 (2021 - 2) two bedroom flats.

Felsted House provides 14 (2021 - 14) studios.

In addition, whilst the Polly's Field facility was not fully complete at the year end some units had been sold pre year end.

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED  
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**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2022**

**18 FINANCIAL INSTRUMENTS**

	<b>2022</b>	<b>2021</b>
Financial assets measured at the transaction price	<u><b>£ 31,001</b></u>	<u><b>£ 30,461</b></u>
Financial liabilities measured at the transaction price	<u><b>£ 25,177,404</b></u>	<u><b>£ 15,845,315</b></u>

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

**19 CAPITAL COMMITMENTS**

At the year end the Society was committed to pay retentions of £375,000 and a final payment on the contract of £150,000, totalling commitments of £525,000 (2021 - £7,356,293). This is all in relation to development works being undertaken on Polly's Field, of which grant funders had committed to provide £Nil (2021 - £1,035,000) of funding to offset this at the balance sheet date.

**20 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.

**21 ANALYSIS OF CHANGES IN NET DEBT**

	<b>Balance at 1 April 2021 £</b>	<b>Cash flows £</b>	<b>Other non-cash changes £</b>	<b>Balance at 31 March 2022 £</b>
Cash	34,312	<b>243,724</b>	-	<b>278,036</b>
Cash equivalents	-	-	-	-
Cash and cash equivalents	<u>34,312</u>	<u><b>243,724</b></u>	<u>-</u>	<u><b>278,036</b></u>
Loans	(9,617,515)	<b>1,203,355</b>	-	<b>(8,414,160)</b>
	<u><b>£ (9,583,203)</b></u>	<u><b>1,447,079</b></u>	<u><b>£ -</b></u>	<u><b>£ (8,136,124)</b></u>

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED  
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**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2022**

**22 POST BALANCE SHEET EVENTS**

The significant short-term loan balance at 31 March 2022 has been replaced by a the securing of a longer-term financing structure in the new financial year.

Whilst this has no bearing on the figures included within these financial statements, this does help mitigate the net current liability position reflected on the Balance Sheet at 31 March 2022.

**23 PRIOR YEAR STATEMENT OF COMPREHENSIVE INCOME**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
<b>Turnover</b>	<b>1,525,862</b>	<b>-</b>	<b>1,525,862</b>
Operating expenditure	(1,304,267)	(45,976)	(1,350,243)
<b>Operating surplus</b>	<b>221,595</b>	<b>(45,976)</b>	<b>175,619</b>
<b>Other income</b>			
Other interest receivable and similar income	14,204	-	14,204
Donations	35,241	-	35,241
Sundry income	3,947	-	3,947
<b>Total comprehensive income for the year</b>	<b>274,987</b>	<b>(45,976)</b>	<b>229,011</b>
Net transfer to designated reserves	(638,251)	-	(638,251)
<b>Total comprehensive income for the year after transfers</b>	<b>(363,264)</b>	<b>(45,976)</b>	<b>(409,240)</b>

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

**MANAGEMENT INFORMATION  
YEAR ENDED 31 MARCH 2022**

**The following pages do not form part of the statutory financial statements  
which are subject of the independent auditor's report on pages 15 to 18.**

# **ABBEYFIELD BRAINTREE, BOCKING AND FELSTED SOCIETY LIMITED**

(Company Limited by Guarantee)

## **DETAILED INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 31 MARCH 2022**

	Great Bradford's House £	Wickham House £	Felsted House £	Total 2022 £	2021 £
<b>Income</b>					
Rent/service charges to residents	611,497	371,644	314,225	1,297,366	1,246,394
Voids	(12,096)	(82,530)	(8,256)	(102,882)	(49,283)
Social Housing Grant Release	46,278	6,667	-	52,945	52,945
	<u>645,679</u>	<u>295,781</u>	<u>305,969</u>	<u>1,247,429</u>	<u>1,250,056</u>
Care package fees				287,180	275,806
Polly's Field income				<u>137,697</u>	<u>-</u>
<b>Total income</b>				<u>1,672,306</u>	<u>1,525,862</u>
<b>Expenditure</b>					
Management and administration	59,106	28,231	20,965	108,302	107,944
Depreciation	87,835	24,200	19,013	131,048	131,103
Repairs and maintenance	43,966	15,093	16,707	75,766	65,594
Service costs	761,148	210,637	119,489	1,091,274	999,815
Guest Suite income	(1,222)	-	-	(1,222)	(189)
	<u>950,833</u>	<u>278,161</u>	<u>176,174</u>	<u>1,405,168</u>	<u>1,304,267</u>
Polly's Field development costs (restricted)				<u>109,631</u>	<u>45,976</u>
<b>Total expenditure</b>				<u>1,514,799</u>	<u>1,350,243</u>
<b>Surplus for the year before additional Society income</b>				<u>157,507</u>	<u>175,619</u>
<b>Additional Society income</b>					
Bank deposit interest received				-	14,204
Sundry income				2,814	3,947
Other donations				<u>47,977</u>	<u>35,241</u>
<b>Total additional net income</b>				<u>50,791</u>	<u>53,392</u>
<b>Surplus for the year (before transfers)</b>				<u>£ 208,298</u>	<u>£ 229,011</u>

**ABBNEYFIELD BRAINTREE, BOCKING AND FELSTED  
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**DETAILED INCOME AND EXPENDITURE ACCOUNT  
YEAR ENDED 31 MARCH 2022**

	Great Bradfords House £	Wickham House £	Felsted House £	Total 2022 £	2021 £
<b>Management and administration</b>					
Rates and water	8,482	4,435	4,456	17,373	17,089
Property insurance	10,768	6,730	4,038	21,536	19,998
Audit and accountancy	2,904	1,815	1,090	5,809	5,994
Affiliation fee	9,178	5,507	3,671	18,356	18,173
Telephone	2,152	1,090	955	4,197	4,372
Advertising	770	2,258	940	3,968	1,551
Travel	110	86	42	238	534
Printing, postage and stationery	930	1,693	404	3,027	1,079
Legal and professional fees	744	-	-	744	6,053
General	3,057	590	815	4,462	3,137
Bank charges	748	446	302	1,496	1,704
Garden upkeep	4,904	2,400	3,415	10,719	8,543
Training	293	71	144	508	144
Bookkeeping	1,777	1,110	693	3,580	4,332
Care costs (excluding staff costs)	12,289	-	-	12,289	15,241
	<u>59,106</u>	<u>28,231</u>	<u>20,965</u>	<u>108,302</u>	<u>107,944</u>
<b>Depreciation</b>	<u>87,835</u>	<u>24,200</u>	<u>19,013</u>	<u>131,048</u>	<u>131,103</u>
<b>Repairs and maintenance</b>	<u>43,966</u>	<u>15,093</u>	<u>16,707</u>	<u>75,766</u>	<u>65,594</u>
<b>Service costs</b>					
Wages and national insurance	202,893	170,754	68,113	441,760	490,073
Wages and national insurance - care staff	381,240	-	-	381,240	357,952
Recruitment expenses	168	96	86	350	2,616
Housekeeping and catering	138,345	16,748	21,312	176,405	72,123
Tunstall	-	-	-	-	-
Light and heat	31,850	13,171	9,695	54,716	51,966
Cleaning	4,120	2,313	14,065	20,498	9,479
Support costs	2,532	7,555	6,218	16,305	15,606
	<u>761,148</u>	<u>210,637</u>	<u>119,489</u>	<u>1,091,274</u>	<u>999,815</u>