

THE ABBEYFIELD WORCESTER AND HEREFORD SOCIETY LIMITED

England & Wales · Charity number 259776

Details

Other names	THE ABBEYFIELD WORCESTER SOCIETY LIMITED
Status	Registered
Legal form	Charitable company
Company number	00961985
Registered	1969-11-11
Register	View on the Charity Commission register

Contact

Address	Whiston Court 20 White Ladies Close Worcester WR1 1QA
Phone	01905317850
Website	www.abbeyfield.com

Activities

Objects: TO RELIEVE AGED, IMPOTENT AND POOR PEOPLE OF ALL CLASSES, FOR THE ADVANCEMENT OF RELIGION AND EDUCATION AND FOR OTHER CHARITABLE PURPOSES BENEFICIAL TO THE COMMUNITY. (FOR FURTHER DETAILS SEE CLAUSE 3 OF THE MEMORANDUM OF ASSOCIATION INCORPORATED 15TH SEPTEMBER 1969)

Activities: The principal activity of the Society is the provision of accommodation, care and companionship for lonely & frail elderly people in accordance with the aims and principles of The Abbeyfield Society.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Accommodation/housing
- **Who:** Elderly/old People

Geography

- **Area of benefit:** UNRESTRICTED
- Worcestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,045,797	£1,664,323	£1,766,234	18
2023-09-30	£671,660	£688,916	£2,384,760	18
2022-09-30	£575,042	£587,694	£2,402,016	16
2021-09-30	£510,613	£596,893	£2,414,668	15
2020-09-30	£713,820	£698,350	£2,200,315	14

Trustees

Name	Role	Appointed
Gerald Harris	Chair	2014-01-16
Dr Stuart Geoffrey King		2017-01-01
PAMELA JAYNE RAYER		
PETER CHARLES SCAIFF		2016-03-11
PETER SCOTT KENDAL		2014-06-02

THE ABBEYFIELD WORCESTER AND HEREFORD SOCIETY LIMITED

England & Wales - Charity number 259776

Accounts

Company registration number: 00961985

Charity registration number: 259776

The Abbeyfield Worcester and Hereford Society Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the period from 1 October 2023 to 31 March 2025

The Abbeyfield Worcester and Hereford Society Limited

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The Abbeyfield Worcester and Hereford Society Limited

Reference and Administrative Details

Trustees	P J Rayer G A Harris P S Kendal Dr S G King P C Scaiff
Principal Office	Whiston Court 20 White Ladies Close Worcester WR1 1QA
Company Registration Number	00961985
Charity Registration Number	259776
Solicitors	Harrison Clark Rickerbys Limited 5 Deansway Worcester Worcestershire WR1 2JG
Auditor	Ballards LLP Statutory Auditor Oakmoore Court 11C Kingswood Road Hampton Lovett Droitwich Worcestershire WR9 0QH

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the period ended 31 March 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

Objects and aims

The objects of the charity are to enhance the quality of life for older people by providing a service which offers a home for life integrated in a local community of high quality accommodation and a stimulating environment to maintain a socially active community that will directly benefit the mind, body and soul.

Public benefit

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

The company's directors (and trustees) are all voluntary and, in addition to their governance responsibility, also undertake various tasks to assist in the operation of the company.

The board is grateful to a small number of volunteers who participate in residents' social activities.

Achievements and performance

Review of business and results for the year

The trustees decided to change the year-end in order to bring it into line with the principal annual changes affecting its financial performance. This required extending the year by another six months, so that these accounts cover the period from 1 October 2023 to 31 March 2025.

The society showed an overall loss of £618,526 for the 18-month period after taking account of an impairment charge of £564,737 in relation to apartments at Whiston Court, Worcester. This charge reflects the fall in value being experienced in the resale market for retirement properties by owners of long-leasehold apartments whose occupants had passed away or moved into care homes.

It should be noted that this fall in value did not affect the financial performance of the society, which continued to receive income from the owners of the apartments under the terms of their leasehold agreements, several of whom are benefiting from the sub-letting of their apartments to the society, which is in turn letting them to new occupants. Nor is the society affected by any change in the society's rental accommodation in either Worcester or Hereford.

The effect of the impairment charge is that the society's net assets stood at £1,766,234 at the end of the year, compared with £2,384,760 at the end of the previous year.

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

Future developments

The society is presently focussed on arranging for additional long-term lending which will enable it to purchase some of the long-leasehold apartments available for sale and add these to its holding of investment property in Worcester available for renting.

Financial review

Policy on reserves

The Board is reviewing its reserves policy in the light of its changed circumstances but is planning to maintain sufficient general funds to finance the expenditure of the company over the following 12 months.

Investment policy and objectives

The board of directors exercises appropriate care and discretion in dealing with the company's financing and its investment in both long-term and short-term assets, minimising business risk.

Structure, governance and management

Nature of governing document

The Society is governed by its Memorandum and Articles of Association and was incorporated on 15 September 1969 as a company limited by guarantee with no share capital; the Company Number is 00961985. The Society is also registered as a charity, Charity Number 259776, and with the Housing Corporation as a Registered Social Housing Provider, Number H2907.

Recruitment and appointment of trustees

New trustees are recruited and appointed at the discretion of the existing trustees.

Induction and training of trustees

New trustees are instructed in their duties by the existing trustees and are required to be aware of the guidance to trustees issued by the Charity Commission.

Organisational structure

All trustees are members of the executive committee which is charged with the management of the charity in furtherance of its principal activity, fund management and financial affairs generally.

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

Financial risk management

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and stock. The charity's credit risk is primarily attributable to its trade receivables. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Statement of trustees responsibilities

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

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

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

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

Disclosure of information to auditor

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

Reappointment of auditor

The auditors, Ballards LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

18 Nov 2025

The annual report was approved by the trustees of the charity on and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M-GH' followed by a small flourish.

.....
G A Harris
Trustee

The Abbeyfield Worcester and Hereford Society Limited

Independent Auditor's Report to the Members of The Abbeyfield Worcester and Hereford Society Limited

Opinion

We have audited the financial statements of The Abbeyfield Worcester and Hereford Society Limited (the 'charity') for the period from 1 October 2023 to 31 March 2025, which comprise the Statement of Financial Activities, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its results for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

The Abbeyfield Worcester and Hereford Society Limited

Independent Auditor's Report to the Members of The Abbeyfield Worcester and Hereford Society Limited

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.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Statement of trustees responsibilities [set out on page three], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

The Abbeyfield Worcester and Hereford Society Limited

**Independent Auditor's Report to the Members of The Abbeyfield Worcester and Hereford
Society Limited**



.....
Mark Skellum BSc (Hons) FCA Ballards LLP, Statutory Auditor
Chartered Accountants
Registered Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Oakmoore Court
11C Kingswood Road
Hampton Lovett
Droitwich
Worcestershire
WR9 0QH

Date: 19/11/2025

The Abbeyfield Worcester and Hereford Society Limited

**Statement of Financial Activities for the Period from 1 October 2023 to 31 March 2025
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted funds £	Restricted funds £	Total 31 March 2025 £
Income and Endowments from:				
Donations and legacies	3	29,603	6,457	36,060
Charitable activities	4	1,009,591	-	1,009,591
Investment income	5	146	-	146
Total Income		<u>1,039,340</u>	<u>6,457</u>	<u>1,045,797</u>
Expenditure on:				
Raising funds		(16,804)	-	(16,804)
Charitable activities	6	<u>(1,641,366)</u>	<u>(6,153)</u>	<u>(1,647,519)</u>
Total Expenditure		<u>(1,658,170)</u>	<u>(6,153)</u>	<u>(1,664,323)</u>
Net (expenditure)/income		(618,830)	304	(618,526)
Transfers between funds		304	(304)	-
Net movement in funds		(618,526)	-	(618,526)
Reconciliation of funds				
Total funds brought forward		<u>2,384,760</u>	<u>-</u>	<u>2,384,760</u>
Total funds carried forward	20	<u>1,766,234</u>	<u>-</u>	<u>1,766,234</u>
Total 30 September 2023 £				
	Note	Unrestricted funds £	Restricted funds £	
Income and Endowments from:				
Donations and legacies	3	14,509	2,425	16,934
Charitable activities	4	631,767	-	631,767
Investment income	5	49	-	49
Other income		<u>22,910</u>	<u>-</u>	<u>22,910</u>
Total Income		<u>669,235</u>	<u>2,425</u>	<u>671,660</u>
Expenditure on:				
Raising funds		(3,255)	-	(3,255)
Charitable activities	6	<u>(683,840)</u>	<u>(1,821)</u>	<u>(685,661)</u>
Total Expenditure		<u>(687,095)</u>	<u>(1,821)</u>	<u>(688,916)</u>
Net (expenditure)/income		(17,860)	604	(17,256)
Transfers between funds		10,878	(10,878)	-
Net movement in funds		(6,982)	(10,274)	(17,256)

The Abbeyfield Worcester and Hereford Society Limited

**Statement of Financial Activities for the Period from 1 October 2023 to 31 March 2025
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

		Unrestricted funds £	Restricted funds £	Total 30 September 2023 £
	Note			
Reconciliation of funds				
Total funds brought forward		<u>2,391,742</u>	<u>10,274</u>	<u>2,402,016</u>
Total funds carried forward	20	<u><u>2,384,760</u></u>	<u><u>-</u></u>	<u><u>2,384,760</u></u>

The Abbeyfield Worcester and Hereford Society Limited

(Registration number: 00961985)
Balance Sheet as at 31 March 2025

	Note	31 March 2025 £	30 September 2023 £
Fixed assets			
Tangible assets	12	508,477	554,815
Investments	13	<u>2,835,840</u>	<u>3,400,577</u>
		<u>3,344,317</u>	<u>3,955,392</u>
Current assets			
Debtors	14	29,931	9,147
Cash at bank and in hand		<u>102,268</u>	<u>159,400</u>
		132,199	168,547
Creditors: Amounts falling due within one year	15	<u>(90,782)</u>	<u>(1,739,179)</u>
Net current assets/(liabilities)		<u>41,417</u>	<u>(1,570,632)</u>
Total assets less current liabilities		3,385,734	2,384,760
Creditors: Amounts falling due after more than one year	16	<u>(1,619,500)</u>	<u>-</u>
Net assets		<u>1,766,234</u>	<u>2,384,760</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>1,766,234</u>	<u>2,384,760</u>
Total funds	20	<u>1,766,234</u>	<u>2,384,760</u>

For the financial period ending 31 March 2025 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

The Abbeyfield Worcester and Hereford Society Limited

**(Registration number: 00961985)
Balance Sheet as at 31 March 2025**

The financial statements on pages 9 to 26 were approved by the trustees, and authorised for issue on
18 Nov 2025 and signed on their behalf by:



.....
G A Harris
Trustee

The Abbeyfield Worcester and Hereford Society Limited

Statement of Cash Flows for the Period from 1 October 2023 to 31 March 2025

	Note	31 March 2025 £	30 September 2023 £
Cash flows from operating activities			
Net cash expenditure		(618,526)	(17,256)
Adjustments to cash flows from non-cash items			
Depreciation		47,835	34,964
Interest received	5	(146)	(49)
Interest payable		162,927	84,715
Revaluation of investments		<u>564,737</u>	<u>-</u>
		156,827	102,374
Working capital adjustments			
(Increase)/decrease in debtors	14	(20,784)	1,613
Decrease in creditors	15	(1,149)	(11,106)
Increase in deferred income	16	<u>7,209</u>	<u>-</u>
Net cash flows from operating activities		<u>142,103</u>	<u>92,881</u>
Cash flows from investing activities			
Interest receivable and similar income	5	146	49
Interest payable		(162,927)	(84,715)
Purchase of tangible fixed assets	12	<u>(1,497)</u>	<u>(2,524)</u>
Net cash flows from investing activities		(164,278)	(87,190)
Cash flows from financing activities			
Repayment of loans and borrowings	15	<u>(34,957)</u>	<u>(29,699)</u>
Net decrease in cash and cash equivalents		(57,132)	(24,008)
Cash and cash equivalents at 1 October		<u>159,400</u>	<u>183,408</u>
Cash and cash equivalents at 31 March		<u><u>102,268</u></u>	<u><u>159,400</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Period from 1 October 2023 to 31 March 2025

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital.

2 Accounting policies

Statement of compliance

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

The society has survived the pandemic successfully and the Board has no grounds for changing the going concern basis for the next 12 months.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Period from 1 October 2023 to 31 March 2025

Tangible fixed assets

The expenditure incurred in the construction of the Whiston Court property has been allocated into three areas on the balance sheet depending on the nature of the expenditure and planned use of the assets. This has been split as follows:

- Tangible assets include areas of the property retained by and for the ongoing use of the charity;
- Investment property includes the cost of apartments, including an allocation of communal areas, which are intended to be let by the charity; and
- Stock includes the cost of apartments, including an allocation of communal areas, which are intended to be sold by the charity.

Depreciation and amortisation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Asset class	Depreciation method and rate
Freehold property	Straight line over 50 years
Plant and machinery	Straight line between 5 and 25 years
Fixtures and fittings	Straight line between 5 and 10 years

Investment properties

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Period from 1 October 2023 to 31 March 2025

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pensions and other post retirement obligations

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pensions scheme are charged to the Statement of Financial Activities in the period to which they relate.

3 Income from donations and legacies

	Unrestricted funds		Total 31 March 2025 £	Total Year ended 30 September 2023 £
	General £	Restricted funds £		
Donations and legacies;				
Donations from individuals	20,000	6,457	26,457	2,425
Other income from donations and legacies	9,603	-	9,603	14,509
	<u>29,603</u>	<u>6,457</u>	<u>36,060</u>	<u>16,934</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Period from 1 October 2023 to 31 March 2025

4 Income from charitable activities

	Unrestricted funds		Total Year ended 30 September 2023
	General £	Total 31 March 2025 £	£
Service charge income	695,254	695,254	421,466
Income from lettings	314,337	314,337	210,301
	<u>1,009,591</u>	<u>1,009,591</u>	<u>631,767</u>

5 Investment income

	Unrestricted funds		Total Year ended 30 September 2023
	General £	Total 31 March 2025 £	£
Interest receivable and similar income; Interest receivable on bank deposits	146	146	49

6 Expenditure on charitable activities

		Unrestricted funds		Total Year ended 30 September 2023
	Note	General £	Restricted funds £	Total 31 March 2025 £
Governance costs	7	<u>1,641,366</u>	<u>6,153</u>	<u>1,647,519</u>
				<u>685,661</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Period from 1 October 2023 to 31 March 2025

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds		Total 31 March 2025	Total Year ended 30 September 2023
	General £	Restricted funds £	£	£
Staff costs				
Wages and salaries	420,358	-	420,358	250,785
Social security costs	22,294	-	22,294	10,729
Pension costs	16,096	-	16,096	9,497
Audit fees				
Audit of the financial statements	13,130	-	13,130	12,376
Staff and trustee expenses	9,267	-	9,267	7,031
Legal and professional fees	7,786	-	7,786	1,867
Marketing and publicity	9,230	-	9,230	13,254
Depreciation, amortisation and other similar costs	47,287	548	47,835	34,964
Other governance costs	1,095,918	5,605	1,101,523	345,158
	<u>1,641,366</u>	<u>6,153</u>	<u>1,647,519</u>	<u>685,661</u>

8 Net incoming/outgoing resources

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

	31 March 2025 £	30 September 2023 £
Audit fees	13,130	12,376
Depreciation of fixed assets	<u>47,835</u>	<u>34,964</u>

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses from the charity during the year.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Period from 1 October 2023 to 31 March 2025

10 Staff costs

The aggregate payroll costs were as follows:

	2025 £	30 September 2023 £
Staff costs during the period were:		
Wages and salaries	420,358	250,785
Social security costs	22,294	10,729
Pension costs	16,096	9,497
	<u>458,748</u>	<u>271,011</u>

The monthly average number of persons (including senior management team) employed by the charity during the period expressed as full time equivalents was as follows:

	31 March 2025 No	30 September 2023 No
Full time	1	1
Part time	17	18
	<u>18</u>	<u>19</u>

No employee received emoluments of more than £60,000 during the period.

11 Auditors' remuneration

	1 October 2023 to 31 March 2025 £	Year ended 30 September 2023 £
Audit of the financial statements	<u>13,130</u>	<u>12,376</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Period from 1 October 2023 to 31 March 2025

12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 October 2023	523,840	400,429	924,269
Additions	<u>-</u>	<u>1,497</u>	<u>1,497</u>
At 31 March 2025	<u>523,840</u>	<u>401,926</u>	<u>925,766</u>
Depreciation			
At 1 October 2023	78,750	290,704	369,454
Charge for the year	<u>15,750</u>	<u>32,085</u>	<u>47,835</u>
At 31 March 2025	<u>94,500</u>	<u>322,789</u>	<u>417,289</u>
Net book value			
At 31 March 2025	<u>429,340</u>	<u>79,137</u>	<u>508,477</u>
At 30 September 2023	<u>445,090</u>	<u>109,725</u>	<u>554,815</u>

13 Fixed asset investments

	31 March 2025 £	30 September 2023 £
Investment properties	<u>2,835,840</u>	<u>3,400,577</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Period from 1 October 2023 to 31 March 2025

Investment properties

	Investment properties £
Cost or Valuation	
At 1 October 2023	3,400,577
Provision	
Charge for the year	<u>564,737</u>
Net book value	
At 31 March 2025	<u>2,835,840</u>
At 30 September 2023	<u>3,400,577</u>

14 Debtors

	31 March 2025 £	30 September 2023 £
Trade debtors	21,424	6,360
Prepayments	7,564	1,843
Other debtors	943	944
	<u>29,931</u>	<u>9,147</u>

15 Creditors: amounts falling due within one year

	31 March 2025 £	30 September 2023 £
Bank loans	20,950	1,675,407
Trade creditors	4,048	-
Other taxation and social security	27,608	32,803
Other creditors	10,846	10,848
Accruals	20,121	20,121
Deferred income	7,209	-
	<u>90,782</u>	<u>1,739,179</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Period from 1 October 2023 to 31 March 2025

Bank borrowings

During the period, the company refinanced its existing loan facilities in March 2024. The new facilities are detailed below and replace the above facilities in place at the balance sheet date:

1. A £1,250,000 facility repayable in full in March 2027; and
2. A £411,000 facility of which 15% is repayable in instalments over the next 3 years, and the remaining 85% is repayable in a single payment in March 2027.

16 Creditors: amounts falling due after one year

	31 March 2025 £
Bank loans	<u><u>1,619,500</u></u>

17 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £16,096 (2023 - £9,497).

18 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2023 - £Nil).

19 Contingent liabilities

A contingent liability of £300,633 exists in relation to a grant that was received and in prior years has been presented as a liability, netted off against the investment property valuation, in respect of the Hereford premises. In 2021, the decision was taken to gross up the valuation as the liability is unlikely to ever be repaid. A gain was recognised in the statement of financial activities.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Period from 1 October 2023 to 31 March 2025

20 Funds

	Balance at 1 October 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2025 £
Unrestricted funds					
General	(2,384,760)	(1,039,340)	1,658,170	(304)	(1,766,234)
Restricted funds	<u>-</u>	<u>(6,457)</u>	<u>6,153</u>	<u>304</u>	<u>-</u>
Total funds	<u>(2,384,760)</u>	<u>(1,045,797)</u>	<u>1,664,323</u>	<u>-</u>	<u>(1,766,234)</u>
	Balance at 1 October 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 September 2023 £
Unrestricted funds					
General	(2,391,742)	(669,235)	687,095	(10,878)	(2,384,760)
Restricted funds	<u>(10,274)</u>	<u>(2,425)</u>	<u>1,821</u>	<u>10,878</u>	<u>-</u>
Total funds	<u>(2,402,016)</u>	<u>(671,660)</u>	<u>688,916</u>	<u>-</u>	<u>(2,384,760)</u>

The restricted funds are primarily made up of donations received from anonymous benefactors. The expenditure from restricted funds relates to the depreciation charges for fixed assets which have been financed by those anonymous benefactor grants. The remaining funds are unrestricted.

21 Analysis of net assets between funds

	Unrestricted funds General £	Total funds £
Tangible fixed assets	508,477	508,477
Fixed asset investments	2,835,840	2,835,840
Current assets	132,199	132,199
Current liabilities	(90,782)	(90,782)
Creditors over 1 year	<u>(1,619,500)</u>	<u>(1,619,500)</u>
Total net assets	<u>1,766,234</u>	<u>1,766,234</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Period from 1 October 2023 to 31 March 2025

22 Related party transactions

There were no related party transactions in the period.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Period from 1 October 2023 to 31 March 2025

		Total 31 March 2025 £	Total Year ended 30 September 2023 £
Income and Endowments from:			
Donations	3	20,000	-
Donations	3	6,457	2,425
Other income	3	9,603	14,509
Income from lettings	4	296,073	206,208
Income from sublettings	4	18,264	4,093
Service charge income	4	695,254	421,466
Interest on cash deposits	5	146	49
Other income		-	22,910
Total Income		<u>1,045,797</u>	<u>671,660</u>
Expenditure on:			
Expenditure for subletting		(16,804)	(3,255)
Wages and salaries	6	(420,358)	(250,785)
Staff NIC (Employers)	6	(22,294)	(10,729)
Staff pensions (Defined contribution)	6	(16,096)	(9,497)
Staff and trustee expenses	6	(9,267)	(7,031)
Rates	6	(14,293)	(3,847)
Water rates	6	(16,311)	(9,992)
Light, heat and power	6	(108,271)	(73,365)
Insurance	6	(36,383)	(26,173)
Repairs and maintenance	6	(54,990)	(51,694)
Telephone and broadband	6	(5,996)	(4,276)
Membership fee	6	(18,898)	(11,167)
Sundry expenses	6	(5,634)	(8,383)
Sundry expenses	6	(5,605)	(1,444)
Catering and cleaning	6	(74,796)	(48,236)
Marketing and publicity	6	(9,230)	(13,254)
The audit of the charity's annual accounts	6	(13,130)	(12,376)
Legal and professional fees	6	(7,786)	(1,867)
Irrecoverable VAT	6	(22,208)	(17,631)
Bad debts written off	6	(1,441)	(3,880)
Bank charges	6	(9,033)	(355)
Interest payable	6	(162,927)	(84,715)
Depreciation of freehold property	6	(15,750)	(10,500)
Depreciation of plant and machinery	6	(17,806)	(12,264)
Depreciation of fixtures and fittings	6	(13,731)	(11,823)
Depreciation of fixtures and fittings	6	(548)	(377)
(Gain)/loss on programme related investments	6	<u>(564,737)</u>	<u>-</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Period from 1 October 2023 to 31 March 2025

		Total 31 March 2025 £	Total Year ended 30 September 2023 £
Total Expenditure		<u>(1,664,323)</u>	<u>(688,916)</u>
Net expenditure		<u>(618,526)</u>	<u>(17,256)</u>
Net movement in funds		(618,526)	(17,256)
Reconciliation of funds			
Total funds brought forward		<u>2,384,760</u>	<u>2,402,016</u>
Total funds carried forward	20	<u><u>1,766,234</u></u>	<u><u>2,384,760</u></u>

THE ABBEYFIELD WORCESTER AND HEREFORD SOCIETY LIMITED

England & Wales - Charity number 259776

Accounts

Company registration number: 00961985

Charity registration number: 259776

The Abbeyfield Worcester and Hereford Society Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 September 2023

The Abbeyfield Worcester and Hereford Society Limited

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The Abbeyfield Worcester and Hereford Society Limited

Reference and Administrative Details

Trustees	P J Rayer G A Harris P S Kendal Dr S G King P C Scaiff
Principal Office	Whiston Court 20 White Ladies Close Worcester WR1 1QA
Company Registration Number	00961985
Charity Registration Number	259776
Solicitors	Harrison Clark Rickerbys Limited 5 Deansway Worcester Worcestershire WR1 2JG
Auditor	Ballards LLP Statutory Auditor Oakmoore Court 11C Kingswood Road Hampton Lovett Droitwich Worcestershire WR9 0QH

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 September 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

Objects and aims

The objects of the charity are to enhance the quality of life for older people by providing a service which offers a home for life integrated in a local community of high quality accommodation and a stimulating environment to maintain a socially active community that will directly benefit the mind, body and soul.

Public benefit

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

The company's directors (and trustees) are all voluntary and, in addition to their governance responsibility, also undertake various tasks to assist in the operation of the company.

The board is grateful to a small number of volunteers who participate in residents' social activities.

Achievements and performance

Review of business and results for the year

The society showed an overall loss of £17,256 this year, which compares to the previous year result of a loss of £12,652 across the year.

Although some owner-occupied apartments at Whiston Court in Worcester were also left vacant by residents moving into care homes or passing away, this did not have a direct effect on the society's income. In addition, one of the 3rd party owned properties was sublet out from May 2023 onwards.

The society's net assets stood at £2,384,760, which compares with £2,402,016 at the end of the previous year.

Future developments

During the year, the Board of the society focused primarily on filling voids in site occupancies and ensuring the premises as each of the sites remained well maintained.

The society completed refinancing of its loans during March 2024, which secures the funding for a further 3 years. More details are included in note 15.

The board remains mindful of the need to engage in plans for future developments.

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

Financial review

Policy on reserves

The Board is reviewing its reserves policy in the light of its changed circumstances but is planning to maintain sufficient general funds to finance the expenditure of the company over the following 12 months.

Investment policy and objectives

The board of directors exercises appropriate care and discretion in dealing with the company's financing and its investment in both long-term and short-term assets, minimising business risk.

Structure, governance and management

Nature of governing document

The Society is governed by its Memorandum and Articles of Association and was incorporated on 15 September 1969 as a company limited by guarantee with no share capital; the Company Number is 00961985. The Society is also registered as a charity, Charity Number 259776, and with the Housing Corporation as a Registered Social Housing Provider, Number H2907.

Recruitment and appointment of trustees

New trustees are recruited and appointed at the discretion of the existing trustees.

Induction and training of trustees

New trustees are instructed in their duties by the existing trustees and are required to be aware of the guidance to trustees issued by the Charity Commission.

Organisational structure

All trustees are members of the executive committee which is charged with the management of the charity in furtherance of its principal activity, fund management and financial affairs generally.

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

Financial risk management

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and stock. The charity's credit risk is primarily attributable to its trade receivables. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Statement of trustees responsibilities

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

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

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

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

Disclosure of information to auditor

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

Reappointment of auditor

The auditors, Ballards LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

The annual report was approved by the trustees of the charity on and signed on its behalf by:

.....
G A Harris
Trustee

The Abbeyfield Worcester and Hereford Society Limited

Independent Auditor's Report to the Members of The Abbeyfield Worcester and Hereford Society Limited

Opinion

We have audited the financial statements of The Abbeyfield Worcester and Hereford Society Limited (the 'charity') for the year ended 30 September 2023, which comprise the Statement of Financial Activities, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2023 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

The Abbeyfield Worcester and Hereford Society Limited

Independent Auditor's Report to the Members of The Abbeyfield Worcester and Hereford Society Limited

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.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Statement of trustees responsibilities [set out on page three], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

The Abbeyfield Worcester and Hereford Society Limited

**Independent Auditor's Report to the Members of The Abbeyfield Worcester and Hereford
Society Limited**

.....
Mark Skellum BSc (Hons) FCA Ballards LLP, Statutory Auditor
Chartered Accountants
Registered Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Oakmoore Court
11C Kingswood Road
Hampton Lovett
Droitwich
Worcestershire
WR9 0QH

Date:.....

The Abbeyfield Worcester and Hereford Society Limited

Statement of Financial Activities for the Year Ended 30 September 2023
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Donations and legacies	3	14,509	2,425	16,934
Charitable activities	4	631,767	-	631,767
Investment income	5	49	-	49
Other income		22,910	-	22,910
Total Income		669,235	2,425	671,660
Expenditure on:				
Raising funds		(3,255)	-	(3,255)
Charitable activities	6	(683,840)	(1,821)	(685,661)
Total Expenditure		(687,095)	(1,821)	(688,916)
Net (expenditure)/income		(17,860)	604	(17,256)
Transfers between funds		10,878	(10,878)	-
Net movement in funds		(6,982)	(10,274)	(17,256)
Reconciliation of funds				
Total funds brought forward		2,391,742	10,274	2,402,016
Total funds carried forward	20	2,384,760	-	2,384,760
	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	8,996	2,950	11,946
Charitable activities	4	563,095	-	563,095
Investment income	5	1	-	1
Total Income		572,092	2,950	575,042
Expenditure on:				
Charitable activities	6	(585,363)	(2,331)	(587,694)
Total Expenditure		(585,363)	(2,331)	(587,694)
Net (expenditure)/income		(13,271)	619	(12,652)
Net movement in funds		(13,271)	619	(12,652)
Reconciliation of funds				
Total funds brought forward		2,405,013	9,655	2,414,668
Total funds carried forward	20	2,391,742	10,274	2,402,016

The Abbeyfield Worcester and Hereford Society Limited

(Registration number: 00961985)
Balance Sheet as at 30 September 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	554,815	587,255
Investments	13	<u>3,400,577</u>	<u>3,400,577</u>
		<u>3,955,392</u>	<u>3,987,832</u>
Current assets			
Debtors	14	9,147	10,760
Cash at bank and in hand		<u>159,400</u>	<u>183,408</u>
		168,547	194,168
Creditors: Amounts falling due within one year	15	<u>(1,739,179)</u>	<u>(104,577)</u>
Net current (liabilities)/assets		<u>(1,570,632)</u>	<u>89,591</u>
Total assets less current liabilities		2,384,760	4,077,423
Creditors: Amounts falling due after more than one year	16	<u>-</u>	<u>(1,675,407)</u>
Net assets		<u>2,384,760</u>	<u>2,402,016</u>
Funds of the charity:			
Restricted funds		-	10,274
Unrestricted income funds			
Unrestricted funds		<u>2,384,760</u>	<u>2,391,742</u>
Total funds	20	<u>2,384,760</u>	<u>2,402,016</u>

For the financial year ending 30 September 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

The Abbeyfield Worcester and Hereford Society Limited

(Registration number: 00961985)
Balance Sheet as at 30 September 2023

The financial statements on pages 9 to 24 were approved by the trustees, and authorised for issue on and signed on their behalf by:

.....
G A Harris
Trustee

The Abbeyfield Worcester and Hereford Society Limited

Statement of Cash Flows for the Year Ended 30 September 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash expenditure		(17,256)	(12,652)
Adjustments to cash flows from non-cash items			
Depreciation		34,964	35,938
Interest received	5	(49)	(1)
Interest payable		<u>84,715</u>	<u>65,590</u>
		102,374	88,875
Working capital adjustments			
Decrease/(increase) in debtors	14	1,613	(3,727)
(Decrease)/increase in creditors	15	<u>(11,106)</u>	<u>6,355</u>
Net cash flows from operating activities		<u>92,881</u>	<u>91,503</u>
Cash flows from investing activities			
Interest receivable and similar income	5	49	1
Interest payable		(84,715)	(65,590)
Purchase of tangible fixed assets	12	<u>(2,524)</u>	<u>(8,052)</u>
Net cash flows from investing activities		(87,190)	(73,641)
Cash flows from financing activities			
Repayment of loans and borrowings	15	<u>(29,699)</u>	<u>(28,523)</u>
Net decrease in cash and cash equivalents		(24,008)	(10,661)
Cash and cash equivalents at 1 October		<u>183,408</u>	<u>194,069</u>
Cash and cash equivalents at 30 September		<u><u>159,400</u></u>	<u><u>183,408</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2023

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital.

2 Accounting policies

Statement of compliance

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

The society has survived the pandemic successfully and the Board has no grounds for changing the going concern basis for the next 12 months.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2023

Tangible fixed assets

The expenditure incurred in the construction of the Whiston Court property has been allocated into three areas on the balance sheet depending on the nature of the expenditure and planned use of the assets. This has been split as follows:

- Tangible assets include areas of the property retained by and for the ongoing use of the charity;
- Investment property includes the cost of apartments, including an allocation of communal areas, which are intended to be let by the charity; and
- Stock includes the cost of apartments, including an allocation of communal areas, which are intended to be sold by the charity.

Depreciation and amortisation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Asset class

Freehold property
Plant and machinery
Fixtures and fittings

Depreciation method and rate

Straight line over 50 years
Straight line between 5 and 25 years
Straight line between 5 and 10 years

Investment properties

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2023

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pensions and other post retirement obligations

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pensions scheme are charged to the Statement of Financial Activities in the period to which they relate.

3 Income from donations and legacies

	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	General £	£	£	£
Donations and legacies;				
Donations from individuals	-	2,425	2,425	2,950
Other income from donations and legacies	14,509	-	14,509	8,996
	<u>14,509</u>	<u>2,425</u>	<u>16,934</u>	<u>11,946</u>

4 Income from charitable activities

	Unrestricted funds	Total 2023	Total 2022
	General £	£	£
Service charge income	349,871	349,871	375,294
Income from lettings	285,337	285,337	187,801
	<u>635,208</u>	<u>635,208</u>	<u>563,095</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2023

5 Investment income

	Unrestricted funds	Total 2023	Total 2022
	General £	£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	49	49	1

6 Expenditure on charitable activities

		Unrestricted funds		Total 2023	Total 2022
	Note	General £	Restricted funds £	£	£
Governance costs	7	683,840	1,821	685,661	587,694

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds		Total 2023	Total 2022
	General £	Restricted funds £	£	£
Staff costs				
Wages and salaries	250,785	-	250,785	236,630
Social security costs	10,729	-	10,729	8,318
Pension costs	9,497	-	9,497	8,624
Audit fees				
Audit of the financial statements	12,376	-	12,376	10,830
Staff and trustee expenses	7,031	-	7,031	6,078
Legal and professional fees	1,867	-	1,867	3,894
Marketing and publicity	13,254	-	13,254	4,686
Depreciation, amortisation and other similar costs	34,587	377	34,964	35,938
Other governance costs	343,714	1,444	345,158	272,696
	683,840	1,821	685,661	587,694

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2023

8 Net incoming/outgoing resources

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

	2023	2022
	£	£
Audit fees	10,250	10,760
Depreciation of fixed assets	<u>34,964</u>	<u>35,938</u>

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2023	2022
	£	£
Staff costs during the year were:		
Wages and salaries	250,785	236,630
Social security costs	10,729	8,318
Pension costs	<u>9,497</u>	<u>8,624</u>
	<u>271,011</u>	<u>253,572</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023	2022
	No	No
Full time	1	1
Part time	<u>18</u>	<u>15</u>
	<u>19</u>	<u>16</u>

No employee received emoluments of more than £60,000 during the year.

11 Auditors' remuneration

	2023	2022
	£	£
Audit of the financial statements	<u>12,376</u>	<u>10,830</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2023

12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 October 2022	523,840	397,905	921,745
Additions	-	2,524	2,524
At 30 September 2023	<u>523,840</u>	<u>400,429</u>	<u>924,269</u>
Depreciation			
At 1 October 2022	68,250	266,240	334,490
Charge for the year	<u>10,500</u>	<u>24,464</u>	<u>34,964</u>
At 30 September 2023	<u>78,750</u>	<u>290,704</u>	<u>369,454</u>
Net book value			
At 30 September 2023	<u>445,090</u>	<u>109,725</u>	<u>554,815</u>
At 30 September 2022	<u>455,590</u>	<u>131,665</u>	<u>587,255</u>

13 Fixed asset investments

	2023 £	2022 £
Investment properties	<u>3,400,577</u>	<u>3,400,577</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2023

Investment properties

	Investment properties £
Cost or Valuation	
At 1 October 2022	<u>3,400,577</u>
Provision	
At 30 September 2023	<u>-</u>
Net book value	
At 30 September 2023	<u>3,400,577</u>
At 30 September 2022	<u>3,400,577</u>

14 Debtors

	2023 £	2022 £
Trade debtors	6,360	8,918
Prepayments	1,843	1,842
Other debtors	<u>944</u>	<u>-</u>
	<u>9,147</u>	<u>10,760</u>

15 Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loans	1,675,407	29,699
Other taxation and social security	32,803	41,854
Other creditors	10,848	12,055
Accruals	<u>20,121</u>	<u>20,969</u>
	<u>1,739,179</u>	<u>104,577</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2023

Bank borrowings

During the year ended 30 September 2023, the society had the following loan facilities

- A 5 year loan facility of £1,100,000. 12.719% is repayable by way of quarterly instalments during the term of the facility, and 87.281% is to be repaid on the maturity date. This loan is in effect a loan with a term of 25 years which has a review of interest rate every 5 years.
- A 5 year loan facility of £1,000,000. The facility shall be repayable in full on the maturity date.

Subsequent to the year end, the company refinanced its existing loan facilities loan facilities in March 2024. The new facilities are detailed below and replace the above facilities in place at the balance sheet date:

1. A £1,250,000 facility repayable in full in March 2027; and
2. A £411,000 facility of which 15% is repayable in instalments over the next 3 years, and the remaining 85% is repayable in a single payment in March 2027.

16 Creditors: amounts falling due after one year

	2023	2022
	£	£
Bank loans	-	1,675,407

17 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £9,497 (2022 - £8,624).

18 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2022 - £Nil).

Pension commitments

Commitments provided for in the accounts amounted to £Nil (2022 - £1,134).

19 Contingent liabilities

A contingent liability of £300,633 exists in relation to a grant that was received and in prior years has been presented as a liability, netted off against the investment property valuation, in respect of the Hereford premises. In 2021, the decision was taken to gross up the valuation as the liability is unlikely to ever be repaid. A gain was recognised in the statement of financial activities.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2023

20 Funds

	Balance at 1 October 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 September 2023 £
Unrestricted funds					
General	(2,391,742)	(669,235)	687,095	(10,878)	(2,384,760)
Restricted funds	<u>(10,274)</u>	<u>(2,425)</u>	<u>1,821</u>	<u>10,878</u>	<u>-</u>
Total funds	<u>(2,402,016)</u>	<u>(671,660)</u>	<u>688,916</u>	<u>-</u>	<u>(2,384,760)</u>

	Balance at 1 October 2021 £	Incoming resources £	Resources expended £	Balance at 30 September 2022 £
Unrestricted funds				
General	(2,405,013)	(572,092)	585,363	(2,391,742)
Restricted funds	<u>(9,655)</u>	<u>(2,950)</u>	<u>2,331</u>	<u>(10,274)</u>
Total funds	<u>(2,414,668)</u>	<u>(575,042)</u>	<u>587,694</u>	<u>(2,402,016)</u>

The restricted funds are primarily made up of donations received from anonymous benefactors. The expenditure from restricted funds relates to the depreciation charges for fixed assets which have been financed by those anonymous benefactor grants. The remaining funds are unrestricted.

21 Analysis of net assets between funds

	Unrestricted funds General £	Total funds £
Tangible fixed assets	554,815	554,815
Fixed asset investments	3,400,577	3,400,577
Current assets	168,547	168,547
Current liabilities	<u>(1,739,179)</u>	<u>(1,739,179)</u>
Total net assets	<u>2,384,760</u>	<u>2,384,760</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2023

22 Related party transactions

There were no related party transactions in the year.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2023

	Note	Total 2023 £	Total 2022 £
Income and Endowments from:			
Donations	3	2,425	2,950
Other income	3	14,509	8,996
Income from lettings	4	206,208	187,801
Income from sublettings	4	4,093	-
Service charge income	4	421,466	375,294
Interest on cash deposits	5	49	1
Other income		22,910	-
Total Income		<u>671,660</u>	<u>575,042</u>
Expenditure on:			
Expenditure for subletting		(3,255)	-
Wages and salaries	6	(250,785)	(236,630)
Staff NIC (Employers)	6	(10,729)	(8,318)
Staff pensions (Defined contribution)	6	(9,497)	(8,624)
Staff and trustee expenses	6	(7,031)	(6,078)
Rates	6	(3,847)	(3,959)
Water rates	6	(9,992)	(7,300)
Light, heat and power	6	(73,365)	(51,864)
Insurance	6	(26,173)	(21,852)
Repairs and maintenance	6	(51,694)	(41,470)
Telephone and broadband	6	(4,276)	(3,941)
Membership fee	6	(11,167)	(15,933)
Sundry expenses	6	(8,383)	(4,016)
Sundry expenses	6	(1,444)	(1,819)
Catering and cleaning	6	(48,236)	(44,188)
Marketing and publicity	6	(13,254)	(4,686)
The audit of the charity's annual accounts	6	(12,376)	(10,830)
Legal and professional fees	6	(1,867)	(3,894)
Irrecoverable VAT	6	(17,631)	(10,434)
Bad debts written off	6	(3,880)	-
Bank charges	6	(355)	(330)
Interest payable	6	(84,715)	(65,590)
Depreciation of freehold property	6	(10,500)	(10,500)
Depreciation of plant and machinery	6	(12,264)	(11,952)
Depreciation of fixtures and fittings	6	(11,823)	(12,974)
Depreciation of fixtures and fittings	6	(377)	(512)
Total Expenditure		<u>(688,916)</u>	<u>(587,694)</u>
Net expenditure		<u>(17,256)</u>	<u>(12,652)</u>
Net movement in funds		(17,256)	(12,652)

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2023

	Note	Total 2023 £	Total 2022 £
Reconciliation of funds			
Total funds brought forward		<u>2,402,016</u>	<u>2,414,668</u>
Total funds carried forward	20	<u><u>2,384,760</u></u>	<u><u>2,402,016</u></u>

THE ABBEYFIELD WORCESTER AND HEREFORD SOCIETY LIMITED

England & Wales - Charity number 259776

Accounts

Company registration number: 00961985

Charity registration number: 259776

The Abbeyfield Worcester and Hereford Society Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 September 2022

The Abbeyfield Worcester and Hereford Society Limited

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The Abbeyfield Worcester and Hereford Society Limited

Reference and Administrative Details

Trustees	Miss A England (resigned 5 July 2022) Miss P J Rayer G A Harris P S Kendal Dr S G King P C Scalff
Principal Office	Whiston Court 20 White Ladies Close Worcester WR1 1QA
Company Registration Number	00961985
Charity Registration Number	259776
Solicitors	Harrison Clark Rickerbys Limited 5 Deansway Worcester Worcestershire WR1 2JG
Auditor	Ballards LLP Statutory Auditor Oakmoore Court 11C Kingswood Road Hampton Lovett Droitwich Worcestershire WR9 0QH

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 September 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

Objects and aims

The objects of the charity are to enhance the quality of life for older people by providing a service which offers a home for life integrated in a local community of high quality accommodation and a stimulating environment to maintain a socially active community that will directly benefit the mind, body and soul.

Public benefit

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

The company's directors (and trustees) are all voluntary and, in addition to their governance responsibility, also undertake various tasks to assist in the operation of the company.

The board is grateful to a small number of volunteers who participate in residents' social activities.

Achievements and performance

Review of business and results for the year

The society showed an overall loss of £14,958 this year, which compares to the previous year result of a gain of £214,353 across the year. However, the previous year gain was largely the result of a revaluation of the Hereford property. Before applying this £300,633 gain, the society showed a loss of £86,280.

The decreased loss this year was largely attributable to the additional marketing expenditure that was incurred in 2021 aiding the recovery from the pandemic and filling voids in income through vacant rental properties.

Although some owner-occupied apartments at Whiston Court in Worcester were also left vacant by residents moving into care homes or passing away, this did not have a direct effect on the society's income.

The society's net assets stood at £2,399,710, which compares with £2,414,668 at the end of the previous year.

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

Future developments

During the year, the Board of the society was concerned primarily with managing the business through and out of the Covid-19 pandemic. With careful management and strict controls over contact with the external world, the communities in both properties avoided an outbreak of Covid and enjoyed the benefit of living in a safe community, serviced by loyal and responsible staff.

However, the Board remains mindful of the need to engage in plans for future development now the pandemic has allowed a return to some normality.

Financial review

Policy on reserves

The Board is reviewing its reserves policy in the light of its changed circumstances but is planning to maintain sufficient general funds to finance the expenditure of the company over the following 12 months.

Investment policy and objectives

The board of directors exercises appropriate care and discretion in dealing with the company's financing and its investment in both long-term and short-term assets, minimising business risk.

Structure, governance and management

Nature of governing document

The Society is governed by its Memorandum and Articles of Association and was incorporated on 15 September 1969 as a company limited by guarantee with no share capital; the Company Number is 00961985. The Society is also registered as a charity, Charity Number 259776, and with the Housing Corporation as a Registered Social Housing Provider, Number H2907.

Recruitment and appointment of trustees

New trustees are recruited and appointed at the discretion of the existing trustees.

Induction and training of trustees

New trustees are instructed in their duties by the existing trustees and are required to be aware of the guidance to trustees issued by the Charity Commission.

Organisational structure

All trustees are members of the executive committee which is charged with the management of the charity in furtherance of its principal activity, fund management and financial affairs generally.

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

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

Financial risk management

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and stock. The charity's credit risk is primarily attributable to its trade receivables. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by International credit-rating agencies.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Important non adjusting events after the financial period

After the year end in 2022, a flood occurred on the ground floor of the Whiston Court premises in Worcester. The flood caused significant damage to flooring and carpets. Discussions are still ongoing in regards to the extent of the claim, but management estimate this will be in the region of £22,000. This will be covered by insurance.

Statement of trustees responsibilities

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

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

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

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

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

Disclosure of information to auditor

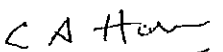
Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which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

Reappointment of auditor

The auditors, Ballards LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The annual report was approved by the trustees of the charity on 24/3/2023 and signed on its behalf by:


.....
G A Harris
Trustee

The Abbeyfield Worcester and Hereford Society Limited

Independent Auditor's Report to the Members of The Abbeyfield Worcester and Hereford Society Limited

Opinion

We have audited the financial statements of The Abbeyfield Worcester and Hereford Society Limited (the 'charity') for the year ended 30 September 2022, which comprise the Statement of Financial Activities, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2022 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other Information

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

The Abbeyfield Worcester and Hereford Society Limited

Independent Auditor's Report to the Members of The Abbeyfield Worcester and Hereford Society Limited

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.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Statement of trustees responsibilities [set out on page three], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

The Abbeyfield Worcester and Hereford Society Limited

**Independent Auditor's Report to the Members of The Abbeyfield Worcester and Hereford
Society Limited**



Ballards LLP, Statutory Auditor

Chartered Accountants

Registered Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Oakmoore Court
11C Kingswood Road
Hampton Lovett
Droitwich
Worcestershire
WR9 0QH

Date: 29/3/2023.

The Abbeyfield Worcester and Hereford Society Limited

**Statement of Financial Activities for the Year Ended 30 September 2022
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	8,996	2,950	11,946
Charitable activities	4	563,095	-	563,095
Investment income	5	1	-	1
Total Income		<u>572,092</u>	<u>2,950</u>	<u>575,042</u>
Expenditure on:				
Charitable activities	6	<u>(585,363)</u>	<u>(2,331)</u>	<u>(587,694)</u>
Total Expenditure		<u>(585,363)</u>	<u>(2,331)</u>	<u>(587,694)</u>
Net (expenditure)/income		<u>(13,271)</u>	<u>619</u>	<u>(12,652)</u>
Net movement in funds		(13,271)	619	(12,652)
Reconciliation of funds				
Total funds brought forward		<u>2,405,013</u>	<u>9,655</u>	<u>2,414,668</u>
Total funds carried forward	20	<u>2,391,742</u>	<u>10,274</u>	<u>2,402,016</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	7,404	3,562	10,966
Charitable activities	4	499,643	-	499,643
Investment income	5	4	-	4
Total Income		<u>507,051</u>	<u>3,562</u>	<u>510,613</u>
Expenditure on:				
Charitable activities	6	<u>(594,556)</u>	<u>(2,337)</u>	<u>(596,893)</u>
Total Expenditure		<u>(594,556)</u>	<u>(2,337)</u>	<u>(596,893)</u>
Gains/losses on investment assets		<u>300,633</u>	<u>-</u>	<u>300,633</u>
Net Income		<u>213,128</u>	<u>1,225</u>	<u>214,353</u>
Net movement in funds		213,128	1,225	214,353
Reconciliation of funds				
Total funds brought forward		<u>2,191,885</u>	<u>8,430</u>	<u>2,200,315</u>
Total funds carried forward	20	<u>2,405,013</u>	<u>9,655</u>	<u>2,414,668</u>

The Abbeyfield Worcester and Hereford Society Limited

(Registration number: 00961985)
Balance Sheet as at 30 September 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	587,255	615,141
Investments	13	<u>3,400,577</u>	<u>3,400,577</u>
		<u>3,987,832</u>	<u>4,015,718</u>
Current assets			
Debtors	14	10,760	7,033
Cash at bank and in hand		<u>183,408</u>	<u>194,069</u>
		194,168	201,102
Creditors: Amounts falling due within one year	15	<u>(104,577)</u>	<u>(97,046)</u>
Net current assets		<u>89,591</u>	<u>104,056</u>
Total assets less current liabilities		4,077,423	4,119,774
Creditors: Amounts falling due after more than one year	16	<u>(1,675,407)</u>	<u>(1,705,106)</u>
Net assets		<u>2,402,016</u>	<u>2,414,668</u>
Funds of the charity:			
Restricted funds		10,274	9,655
Unrestricted income funds			
Unrestricted funds		<u>2,391,742</u>	<u>2,405,013</u>
Total funds	20	<u>2,402,016</u>	<u>2,414,668</u>

For the financial year ending 30 September 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

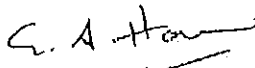
These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

The Abbeyfield Worcester and Hereford Society Limited

(Registration number: 00961985)
Balance Sheet as at 30 September 2022

The financial statements on pages 9 to 23 were approved by the trustees, and authorised for issue on ~~2.9.23~~ 2.9.22 and signed on their behalf by:


.....
G A Harris
Trustee

The Abbeyfield Worcester and Hereford Society Limited

Statement of Cash Flows for the Year Ended 30 September 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash (expenditure)/income		(12,652)	214,353
Adjustments to cash flows from non-cash items			
Depreciation		35,938	38,184
Interest received	5	(1)	(4)
Interest payable		65,590	65,978
Revaluation of Investments		<u>-</u>	<u>(300,633)</u>
		88,875	17,878
Working capital adjustments			
(Increase)/decrease in debtors	14	(3,727)	6,051
Increase in creditors	15	<u>6,355</u>	<u>6,488</u>
Net cash flows from operating activities		<u>91,503</u>	<u>30,417</u>
Cash flows from investing activities			
Interest receivable and similar income	5	1	4
Interest payable		(65,590)	(65,978)
Purchase of tangible fixed assets	12	<u>(8,052)</u>	<u>(6,942)</u>
Net cash flows from investing activities		(73,641)	(72,916)
Cash flows from financing activities			
Repayment of loans and borrowings	15	<u>(28,523)</u>	<u>(27,364)</u>
Net decrease in cash and cash equivalents		(10,661)	(69,863)
Cash and cash equivalents at 1 October		<u>194,069</u>	<u>263,932</u>
Cash and cash equivalents at 30 September		<u>183,408</u>	<u>194,069</u>

All of the cash flows are derived from continuing operations during the above two periods.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital.

2 Accounting policies

Statement of compliance

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

The society has survived the pandemic successfully and the Board has no grounds for changing the going concern basis for the next 12 months.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

Tangible fixed assets

The expenditure incurred in the construction of the Whiston Court property has been allocated into three areas on the balance sheet depending on the nature of the expenditure and planned use of the assets. This has been split as follows:

- Tangible assets include areas of the property retained by and for the ongoing use of the charity;
- Investment property includes the cost of apartments, including an allocation of communal areas, which are intended to be let by the charity; and
- Stock includes the cost of apartments, including an allocation of communal areas, which are intended to be sold by the charity.

Depreciation and amortisation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Asset class	Depreciation method and rate
Freehold property	Straight line over 50 years
Plant and machinery	Straight line between 5 and 25 years
Fixtures and fittings	Straight line between 5 and 10 years

Investment properties

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pensions and other post retirement obligations

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pensions scheme are charged to the Statement of Financial Activities in the period to which they relate.

3 Income from donations and legacies

	Unrestricted funds			
	General £	Restricted funds £	Total 2022 £	Total 2021 £
Donations and legacies;				
Donations from Individuals	-	2,950	2,950	3,562
Other income from donations and legacies	8,996	-	8,996	7,404
	<u>8,996</u>	<u>2,950</u>	<u>11,946</u>	<u>10,966</u>

4 Income from charitable activities

	Unrestricted funds			
	General £	Total 2022 £	Total 2021 £	
Service charge income	361,116	361,116	274,006	
Income from lettings	206,979	206,979	231,133	
	<u>568,095</u>	<u>568,095</u>	<u>505,139</u>	

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

5 Investment Income

	Unrestricted funds	Total 2022	Total 2021
	General £	£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>1</u>	<u>1</u>	<u>4</u>

6 Expenditure on charitable activities

		Unrestricted funds	Restricted funds	Total 2022	Total 2021
	Note	General £	£	£	£
Governance costs	7	<u>585,363</u>	<u>2,331</u>	<u>587,694</u>	<u>596,893</u>

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	General £	£	£	£
Staff costs				
Wages and salaries	236,630	-	236,630	226,242
Social security costs	8,318	-	8,318	5,933
Pension costs	8,624	-	8,624	9,354
Audit fees				
Audit of the financial statements	10,830	-	10,830	7,850
Staff and trustee expenses	6,078	-	6,078	5,963
Legal and professional fees	3,894	-	3,894	7,798
Marketing and publicity	4,686	-	4,686	26,404
Depreciation, amortisation and other similar costs	35,426	512	35,938	38,185
Other governance costs	<u>270,877</u>	<u>1,819</u>	<u>272,696</u>	<u>269,164</u>
	<u>585,363</u>	<u>2,331</u>	<u>587,694</u>	<u>596,893</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

8 Net incoming/outgoing resources

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

	2022	2021
	£	£
Audit fees	10,760	7,850
Depreciation of fixed assets	<u>35,938</u>	<u>38,185</u>

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2022	2021
	£	£
Staff costs during the year were:		
Wages and salaries	236,630	226,242
Social security costs	8,318	5,933
Pension costs	<u>8,624</u>	<u>9,354</u>
	<u>253,572</u>	<u>241,529</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022	2021
	No	No
Full time	1	1
Part time	<u>15</u>	<u>14</u>
	<u>16</u>	<u>15</u>

No employee received emoluments of more than £60,000 during the year.

11 Auditors' remuneration

	2022	2021
	£	£
Audit of the financial statements	<u>10,830</u>	<u>7,850</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 October 2021	523,840	389,853	913,693
Additions	<u>-</u>	<u>8,052</u>	<u>8,052</u>
At 30 September 2022	<u>523,840</u>	<u>397,905</u>	<u>921,745</u>
Depreciation			
At 1 October 2021	57,750	240,802	298,552
Charge for the year	<u>10,500</u>	<u>25,438</u>	<u>35,938</u>
At 30 September 2022	<u>68,250</u>	<u>266,240</u>	<u>334,490</u>
Net book value			
At 30 September 2022	<u>455,590</u>	<u>131,665</u>	<u>587,255</u>
At 30 September 2021	<u>466,090</u>	<u>149,051</u>	<u>615,141</u>

13 Fixed asset investments

	2022 £	2021 £
Investment properties	<u>3,400,577</u>	<u>3,400,577</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

Investment properties

	Investment properties £
Cost or Valuation	
At 1 October 2021	<u>3,400,577</u>
Provision	
At 30 September 2022	<u>-</u>
Net book value	
At 30 September 2022	<u>3,400,577</u>
At 30 September 2021	<u>3,400,577</u>

14 Debtors

	2022 £	2021 £
Trade debtors	8,918	5,497
Prepayments	<u>1,842</u>	<u>1,536</u>
	<u>10,760</u>	<u>7,033</u>

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans	29,699	28,523
Trade creditors	-	3,228
Other taxation and social security	41,854	34,541
Security deposits	12,055	11,755
Accruals	<u>20,969</u>	<u>18,999</u>
	<u>104,577</u>	<u>97,046</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

Bank borrowings

During the financial period ended 30 September 2019, all loans were restructured whereby the Abbeyfield loans and Lloyds Bank loans were repaid and new funding taken out with Handelsbanken in February 2019.

The new loan facilities are as follows:

- A 5 year loan facility of £1,100,000. 12.719% is repayable by way of quarterly instalments during the term of the facility, and 87.281% is to be repaid on the maturity date. This loan is in effect a loan with a term of 25 years which has a review of interest rate every 5 years.
- A 5 year loan facility of £1,000,000. The facility shall be repayable in full on the maturity date.

Both of these loans will mature within 12 months from the sign off date of these financial statements, in February 2024.

16 Creditors: amounts falling due after one year

	2022	2021
	£	£
Bank loans	<u>1,675,407</u>	<u>1,705,106</u>

17 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £8,624 (2021 - £9,354).

18 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2021 - £Nil).

Pension commitments

Commitments provided for in the accounts amounted to £1,134 (2021 - £1,068).

19 Contingent liabilities

A contingent liability of £300,633 exists in relation to a grant that was received and in prior years has been presented as a liability, netted off against the investment property valuation, in respect of the Hereford premises. This year, the decision has been taken to gross up the valuation as the liability is unlikely to ever be repaid. A gain has been recognised in the statement of financial activities.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

20 Funds

	Balance at 1 October 2021 £	Incoming resources £	Resources expended £	Balance at 30 September 2022 £
Unrestricted funds				
General	(2,405,013)	(572,092)	585,363	(2,391,742)
Restricted funds	<u>(9,655)</u>	<u>(2,950)</u>	<u>2,331</u>	<u>(10,274)</u>
Total funds	<u>(2,414,668)</u>	<u>(575,042)</u>	<u>587,694</u>	<u>(2,402,016)</u>

	Balance at 1 October 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 30 September 2021 £
Unrestricted funds					
General	(2,191,885)	(507,051)	594,556	(300,633)	(2,405,013)
Restricted funds	<u>(8,430)</u>	<u>(3,562)</u>	<u>2,337</u>	<u>-</u>	<u>(9,655)</u>
Total funds	<u>(2,200,315)</u>	<u>(510,613)</u>	<u>596,893</u>	<u>(300,633)</u>	<u>(2,414,668)</u>

The restricted funds are primarily made up of donations received from anonymous benefactors. The expenditure from restricted funds relates to the depreciation charges for fixed assets which have been financed by those anonymous benefactor grants. The remaining funds are unrestricted.

21 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	General £	£	£
Tangible fixed assets	585,893	1,362	587,255
Fixed asset investments	3,400,577	-	3,400,577
Current assets	194,168	-	194,168
Current liabilities	(104,577)	-	(104,577)
Creditors over 1 year	<u>(1,675,407)</u>	<u>-</u>	<u>(1,675,407)</u>
Total net assets	<u>2,400,654</u>	<u>1,362</u>	<u>2,402,016</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

22 Related party transactions

There were no related party transactions in the year.

23 Non adjusting events after the financial period

After the year end in 2022, a flood occurred on the ground floor of the Whiston Court premises in Worcester. The flood caused significant damage to flooring and carpets. Discussions are still ongoing in regards to the extent of the claim, but management estimate this will be in the region of £22,000. This will be covered by insurance.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2022

	Note	Total 2022 £	Total 2021 £
Income and Endowments from:			
Donations	3	2,950	3,562
Other income	3	8,996	7,404
Income from lettings	4	187,801	164,257
Service charge income	4	375,294	335,386
Interest on cash deposits	5	1	4
Total Income		<u>575,042</u>	<u>510,613</u>
Expenditure on:			
Wages and salaries	6	(236,630)	(226,242)
Staff NIC (Employers)	6	(8,318)	(5,933)
Staff pensions (Defined contribution)	6	(8,624)	(9,354)
Staff and trustee expenses	6	(6,078)	(5,963)
Rates	6	(3,959)	(7,785)
Water rates	6	(7,300)	(7,874)
Light, heat and power	6	(51,864)	(49,351)
Insurance	6	(21,852)	(15,570)
Repairs and maintenance	6	(41,470)	(38,227)
Telephone and broadband	6	(3,941)	(3,753)
Membership fee	6	(15,933)	(13,212)
Sundry expenses	6	(4,016)	(4,707)
Sundry expenses	6	(1,819)	(1,749)
Catering and cleaning	6	(44,188)	(46,687)
Marketing and publicity	6	(4,686)	(26,404)
The audit of the charity's annual accounts	6	(10,830)	(7,850)
Legal and professional fees	6	(3,894)	(7,798)
Irrecoverable VAT	6	(10,434)	(13,969)
Bank charges	6	(330)	(302)
Interest payable	6	(65,590)	(65,978)
Depreciation of freehold property	6	(10,500)	(10,500)
Depreciation of plant and machinery	6	(11,952)	(10,975)
Depreciation of fixtures and fittings	6	(12,974)	(16,122)
Depreciation of fixtures and fittings	6	(512)	(588)
Total Expenditure		(587,694)	(596,893)
Realised gains/losses on investment assets		<u>-</u>	<u>300,633</u>
Net (expenditure)/income		<u>(12,652)</u>	<u>214,353</u>
Net movement in funds		(12,652)	214,353
Reconciliation of funds			
Total funds brought forward		<u>2,414,668</u>	<u>2,200,315</u>
Total funds carried forward	20	<u><u>2,402,016</u></u>	<u><u>2,414,668</u></u>

THE ABBEYFIELD WORCESTER AND HEREFORD SOCIETY LIMITED

England & Wales - Charity number 259776

Accounts

Company registration number: 00961985

Charity registration number: 259776

The Abbeyfield Worcester and Hereford Society Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 September 2021

The Abbeyfield Worcester and Hereford Society Limited

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The Abbeyfield Worcester and Hereford Society Limited

Reference and Administrative Details

Trustees	Miss A England
	Miss P J Rayer
	G A Harris
	P S Kendal
	Dr S G King
	P C Scaiff
Principal Office	Whiston Court 20 White Ladies Close Worcester WR1 1QA
Company Registration Number	00961985
Charity Registration Number	259776
Solicitors	Harrison Clark Rickerbys Limited 5 Deansway Worcester Worcestershire WR1 2JG
Auditor	Ballards LLP Statutory Auditor 11c Kingswood Road Hampton Lovett Droitwich Worcestershire WR9 0QH

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 September 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

Objects and aims

The objects of the charity are to enhance the quality of life for older people by providing a service which offers a home for life integrated in a local community of high quality accommodation and a stimulating environment to maintain a socially active community that will directly benefit the mind, body and soul.

Public benefit

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

The company's directors (and trustees) are all voluntary and, in addition to their governance responsibility, also undertake various tasks to assist in the operation of the company.

The board is grateful to a small number of volunteers who participate in residents' social activities.

Achievements and performance

Review of business and results for the year

While the society showed an overall gain of £214,353 across the year, this was largely the result of a revaluation of the Hereford property. Before applying this £300,000 gain, the society showed a loss of £86,280.

This loss was largely attributable to Covid and its effect on the occupancy of rental apartments in both Worcester and Hereford. Apartments were difficult to fill when vacated, because of the inactivity in the property market for older people, leading to a loss of both rental income and service income. At the same time, additional marketing expenditure was incurred in preparing for the recovery from the pandemic.

Although some owner-occupied apartments at Whiston Court in Worcester were also left vacant by residents moving into care homes or passing away, this did not have a direct effect on the society's income.

The society's net assets stood at £2,414,668 at the end of the year, compares with £2,200,315 at the end of the previous year.

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

Future developments

During the year, the Board of the society was concerned primarily with managing the business through and out of the pandemic. With careful management and strict controls over contact with the external world, the community in both properties avoided an outbreak of Covid and enjoyed the benefit of living in a safe community, serviced by loyal and responsible staff.

However, the Board remains mindful of the need to engage in plans for future development when the pandemic has allowed a return to some normality.

Financial review

Policy on reserves

The Board is reviewing its reserves policy in the light of its changed circumstances but is planning to maintain sufficient general funds to finance the expenditure of the company over the following 12 months.

Investment policy and objectives

The board of directors exercises appropriate care and discretion in dealing with the company's financing and its investment in both long-term and short-term assets, minimising business risk.

Structure, governance and management

Nature of governing document

The Society is governed by its Memorandum and Articles of Association and was incorporated on 15 September 1969 as a company limited by guarantee with no share capital; the Company Number is 00961985. The Society is also registered as a charity, Charity Number 259776, and with the Housing Corporation as a Registered Social Housing Provider, Number H2907.

Recruitment and appointment of trustees

New trustees are recruited and appointed at the discretion of the existing trustees.

Induction and training of trustees

New trustees are instructed in their duties by the existing trustees and are required to be aware of the guidance to trustees issued by the Charity Commission.

Organisational structure

All trustees are members of the executive committee which is charged with the management of the charity in furtherance of its principal activity, fund management and financial affairs generally.

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

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

Financial risk management

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and stock. The charity's credit risk is primarily attributable to its trade receivables. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Statement of trustees responsibilities

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

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

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

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

Disclosure of information to auditor

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

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

Reappointment of auditor

The auditors, Ballards LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The annual report was approved by the trustees of the charity on 21/2/22 and signed on its behalf by:

G. A. Harris

G A Harris
Trustee

The Abbeyfield Worcester and Hereford Society Limited

Independent Auditor's Report to the Members of The Abbeyfield Worcester and Hereford Society Limited

Opinion

We have audited the financial statements of The Abbeyfield Worcester and Hereford Society Limited (the 'charity') for the year ended 30 September 2021, which comprise the Statement of Financial Activities, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2021 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

The Abbeyfield Worcester and Hereford Society Limited

Independent Auditor's Report to the Members of The Abbeyfield Worcester and Hereford Society Limited

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.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Statement of trustees responsibilities [set out on page three], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

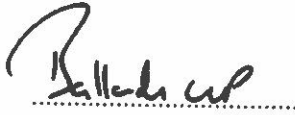
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

The Abbeyfield Worcester and Hereford Society Limited

**Independent Auditor's Report to the Members of The Abbeyfield Worcester and Hereford
Society Limited**



Ballards LLP, Statutory Auditor
Chartered Accountants
Registered Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

11c Kingswood Road
Hampton Lovett
Droitwich
Worcestershire
WR9 0QH

Date: 7/3/2022

The Abbeyfield Worcester and Hereford Society Limited

Statement of Financial Activities for the Year Ended 30 September 2021
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	7,404	3,562	10,966
Charitable activities	4	499,643	-	499,643
Investment income	5	4	-	4
Total Income		507,051	3,562	510,613
Expenditure on:				
Charitable activities	6	(594,556)	(2,337)	(596,893)
Total Expenditure		(594,556)	(2,337)	(596,893)
Gains/losses on investment assets		300,633	-	300,633
Net income		213,128	1,225	214,353
Net movement in funds		213,128	1,225	214,353
Reconciliation of funds				
Total funds brought forward		2,191,885	8,430	2,200,315
Total funds carried forward	20	2,405,013	9,655	2,414,668
	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	12,455	4,278	16,733
Charitable activities	4	697,087	-	697,087
Total Income		709,542	4,278	713,820
Expenditure on:				
Raising funds		(129,287)	-	(129,287)
Charitable activities	6	(568,779)	(284)	(569,063)
Total Expenditure		(698,066)	(284)	(698,350)
Gains/losses on investment assets		21,599	-	21,599
Net income		33,075	3,994	37,069
Net movement in funds		33,075	3,994	37,069
Reconciliation of funds				
Total funds brought forward		2,158,810	4,436	2,163,246
Total funds carried forward	20	2,191,885	8,430	2,200,315

The Abbeyfield Worcester and Hereford Society Limited

(Registration number: 00961985)
Balance Sheet as at 30 September 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	615,141	646,383
Investments	13	<u>3,400,577</u>	<u>3,099,944</u>
		<u>4,015,718</u>	<u>3,746,327</u>
Current assets			
Debtors	14	7,033	13,084
Cash at bank and in hand		<u>194,069</u>	<u>263,932</u>
		201,102	277,016
Creditors: Amounts falling due within one year	15	<u>(97,046)</u>	<u>(89,399)</u>
Net current assets		<u>104,056</u>	<u>187,617</u>
Total assets less current liabilities		4,119,774	3,933,944
Creditors: Amounts falling due after more than one year	16	<u>(1,705,106)</u>	<u>(1,733,629)</u>
Net assets		<u>2,414,668</u>	<u>2,200,315</u>
Funds of the charity:			
Restricted funds		9,655	8,430
Unrestricted income funds			
Unrestricted funds		<u>2,405,013</u>	<u>2,191,885</u>
Total funds	20	<u>2,414,668</u>	<u>2,200,315</u>

For the financial year ending 30 September 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

The Abbeyfield Worcester and Hereford Society Limited

**(Registration number: 00961985)
Balance Sheet as at 30 September 2021**

The financial statements on pages 9 to 23 were approved by the trustees, and authorised for issue on 23/2/22 and signed on their behalf by:


.....
G A Harris
Trustee

The Abbeyfield Worcester and Hereford Society Limited

Statement of Cash Flows for the Year Ended 30 September 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash income		214,353	37,069
Adjustments to cash flows from non-cash items			
Depreciation		38,184	39,011
Interest received	5	(4)	-
Interest payable		65,978	69,599
Revaluation of investments		<u>(300,633)</u>	<u>(21,599)</u>
		17,878	124,080
Working capital adjustments			
Decrease in stocks		-	129,287
Decrease/(increase) in debtors	14	6,051	(966)
Increase in creditors	15	6,488	16,780
Decrease in deferred income	16	<u>-</u>	<u>(8,415)</u>
Net cash flows from operating activities		<u>30,417</u>	<u>260,766</u>
Cash flows from investing activities			
Interest receivable and similar income	5	4	-
Interest payable		(65,978)	(69,599)
Purchase of tangible fixed assets	12	<u>(6,942)</u>	<u>(36,473)</u>
Net cash flows from investing activities		(72,916)	(106,072)
Cash flows from financing activities			
Repayment of loans and borrowings	15	<u>(27,364)</u>	<u>(116,279)</u>
Net (decrease)/increase in cash and cash equivalents		(69,863)	38,415
Cash and cash equivalents at 1 October		<u>263,932</u>	<u>225,517</u>
Cash and cash equivalents at 30 September		<u>194,069</u>	<u>263,932</u>

All of the cash flows are derived from continuing operations during the above two periods.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital.

2 Accounting policies

Statement of compliance

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

The society has survived the pandemic successfully and the Board has no grounds for changing the going concern basis for the next 12 months.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

Tangible fixed assets

The expenditure incurred in the construction of the Whiston Court property has been allocated into three areas on the balance sheet depending on the nature of the expenditure and planned use of the assets. This has been split as follows:

- Tangible assets include areas of the property retained by and for the ongoing use of the charity;
- Investment property includes the cost of apartments, including an allocation of communal areas, which are intended to be let by the charity; and
- Stock includes the cost of apartments, including an allocation of communal areas, which are intended to be sold by the charity.

Depreciation and amortisation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Asset class

Freehold property
Plant and machinery
Fixtures and fittings

Depreciation method and rate

Straight line over 50 years
Straight line between 5 and 25 years
Straight line between 5 and 10 years

Investment properties

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pensions and other post retirement obligations

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pensions scheme are charged to the Statement of Financial Activities in the period to which they relate.

3 Income from donations and legacies

	Unrestricted funds			
	General £	Restricted funds £	Total 2021 £	Total 2020 £
Donations and legacies;				
Donations from individuals	-	3,562	3,562	4,278
Other income from donations and legacies	7,404	-	7,404	12,455
	<u>7,404</u>	<u>3,562</u>	<u>10,966</u>	<u>16,733</u>

4 Income from charitable activities

	Unrestricted funds			
	General £	Total 2021 £	Total 2020 £	
Service charge income	274,006	274,006	347,324	
Income from lettings	231,133	231,133	184,238	
Apartment sales	-	-	165,525	
	<u>505,139</u>	<u>505,139</u>	<u>697,087</u>	

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

5 Investment income

	Unrestricted funds	Total 2021
	General £	£
Interest receivable and similar income; Interest receivable on bank deposits	<u>4</u>	<u>4</u>

6 Expenditure on charitable activities

		Unrestricted funds	Restricted funds	Total 2021	Total 2020
	Note	General £	£	£	£
Governance costs	7	<u>594,556</u>	<u>2,337</u>	<u>596,893</u>	<u>569,063</u>

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds			
	General £	Restricted funds £	Total 2021 £	Total 2020 £
Staff costs				
Wages and salaries	226,242	-	226,242	224,094
Social security costs	5,933	-	5,933	11,565
Pension costs	9,354	-	9,354	9,106
Audit fees				
Audit of the financial statements	7,850	-	7,850	7,850
Staff and trustee expenses	5,963	-	5,963	2,914
Legal and professional fees	7,798	-	7,798	6,194
Estate agent fees	-	-	-	6,558
Marketing and publicity	26,404	-	26,404	645
Depreciation, amortisation and other similar costs	37,597	588	38,185	39,011
Other governance costs	267,415	1,749	269,164	261,126
	594,556	2,337	596,893	569,063

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

8 Net incoming/outgoing resources

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

	2021 £	2020 £
Audit fees	7,850	11,590
Depreciation of fixed assets	<u>38,185</u>	<u>39,011</u>

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	226,242	224,094
Social security costs	5,933	11,565
Pension costs	<u>9,354</u>	<u>9,106</u>
	<u>241,529</u>	<u>244,765</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Full time	1	1
Part time	<u>14</u>	<u>14</u>
	<u>15</u>	<u>15</u>

No employee received emoluments of more than £60,000 during the year.

11 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	<u>7,850</u>	<u>7,850</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 October 2020	523,840	382,911	906,751
Additions	-	6,942	6,942
At 30 September 2021	<u>523,840</u>	<u>389,853</u>	<u>913,693</u>
Depreciation			
At 1 October 2020	47,250	213,118	260,368
Charge for the year	10,500	27,684	38,184
At 30 September 2021	<u>57,750</u>	<u>240,802</u>	<u>298,552</u>
Net book value			
At 30 September 2021	<u>466,090</u>	<u>149,051</u>	<u>615,141</u>
At 30 September 2020	<u>476,590</u>	<u>169,793</u>	<u>646,383</u>

13 Fixed asset investments

	2021 £	2020 £
Investment properties	<u>3,400,577</u>	<u>3,099,944</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

Investment properties

	Investment properties £
Cost or Valuation	
At 1 October 2020	3,099,944
Revaluation	<u>300,633</u>
At 30 September 2021	3,400,577
Provision	
At 30 September 2021	<u>-</u>
Net book value	
At 30 September 2021	<u>3,400,577</u>
At 30 September 2020	<u>3,099,944</u>

14 Debtors

	2021 £	2020 £
Trade debtors	5,497	5,321
Prepayments	<u>1,536</u>	<u>7,763</u>
	<u>7,033</u>	<u>13,084</u>

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans	28,523	27,364
Trade creditors	3,228	4,276
Other taxation and social security	34,541	33,219
Security deposits	11,755	12,180
Accruals	<u>18,999</u>	<u>12,360</u>
	<u>97,046</u>	<u>89,399</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

Bank borrowings

During the financial period ended 30 September 2019, all loans were restructured whereby the Abbeyfield loans and Lloyds Bank loans were repaid and new funding taken out with Handelsbanken in February 2019.

The new loan facilities are as follows:

- A 5 year loan facility of £1,100,000. 12.719% is repayable by way of quarterly instalments during the term of the facility, and 87.281% is to be repaid on the maturity date. This loan is in effect a loan with a term of 25 years which has a review of interest rate every 5 years.
- A 5 year loan facility of £1,000,000. The facility shall be repayable in full on the maturity date.

16 Creditors: amounts falling due after one year

	2021 £	2020 £
Bank loans	<u>1,705,106</u>	<u>1,733,629</u>

17 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £9,354 (2020 - £9,106).

18 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2020 - £Nil).

Pension commitments

Commitments provided for in the accounts amounted to £1,068 (2020 - £3,499).

19 Contingent liabilities

A contingent liability of £300,633 exists in relation to a grant that was received and in prior years has been presented as a liability, netted off against the investment property valuation, in respect of the Hereford premises. This year, the decision has been taken to gross up the valuation as the liability is unlikely to ever be repaid. A gain has been recognised in the statement of financial activities.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

20 Funds

	Balance at 1 October 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 30 September 2021 £
Unrestricted funds					
General	(2,191,885)	(507,051)	594,556	(300,633)	(2,405,013)
Restricted funds	<u>(8,430)</u>	<u>(3,562)</u>	<u>2,337</u>	<u>-</u>	<u>(9,655)</u>
Total funds	<u>(2,200,315)</u>	<u>(510,613)</u>	<u>596,893</u>	<u>(300,633)</u>	<u>(2,414,668)</u>
	Balance at 1 October 2019 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 30 September 2020 £
Unrestricted funds					
General	(2,158,810)	(709,542)	698,066	(21,599)	(2,191,885)
Restricted funds	<u>(4,436)</u>	<u>(4,278)</u>	<u>284</u>	<u>-</u>	<u>(8,430)</u>
Total funds	<u>(2,163,246)</u>	<u>(713,820)</u>	<u>698,350</u>	<u>(21,599)</u>	<u>(2,200,315)</u>

The restricted funds are primarily made up of donations received from anonymous benefactors. The expenditure from restricted funds relates to the depreciation charges for fixed assets which have been financed by those anonymous benefactor grants. The remaining funds are unrestricted.

21 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	General £	£	£
Tangible fixed assets	613,267	1,874	615,141
Fixed asset investments	3,400,577	-	3,400,577
Current assets	201,102	-	201,102
Current liabilities	(97,046)	-	(97,046)
Creditors over 1 year	<u>(1,705,106)</u>	<u>-</u>	<u>(1,705,106)</u>
Total net assets	<u>2,412,794</u>	<u>1,874</u>	<u>2,414,668</u>

22 Related party transactions

There were no related party transactions in the year.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

	Note	Total 2021 £	Total 2020 £
Income and Endowments from:			
Donations	3	3,562	4,278
Other income	3	7,404	12,455
Income from lettings	4	164,257	184,238
Service charge income	4	335,386	347,324
Apartment sales	4	-	165,525
Interest on cash deposits	5	4	-
Total Income		<u>510,613</u>	<u>713,820</u>
Expenditure on:			
Cost of apartments sold		-	(129,287)
Wages and salaries	6	(226,242)	(224,094)
Staff NIC (Employers)	6	(5,933)	(11,565)
Staff pensions (Defined contribution)	6	(9,354)	(9,106)
Staff and trustee expenses	6	(5,963)	(2,914)
Rates	6	(7,785)	(4,200)
Water rates	6	(7,874)	(10,211)
Light, heat and power	6	(49,351)	(47,366)
Insurance	6	(15,570)	(14,048)
Repairs and maintenance	6	(38,227)	(26,957)
Telephone and broadband	6	(3,753)	(3,764)
Membership fee	6	(13,212)	(14,344)
Sundry expenses	6	(4,707)	(3,374)
Sundry expenses	6	(1,749)	-
Catering and cleaning	6	(46,687)	(48,938)
Marketing and publicity	6	(26,404)	(645)
The audit of the charity's annual accounts	6	(7,850)	(7,850)
Legal and professional fees	6	(7,798)	(6,194)
Estate agent fees	6	-	(6,558)
Irrecoverable VAT	6	(13,969)	(18,087)
Bank charges	6	(302)	(238)
Interest payable	6	(65,978)	(69,599)
Depreciation of freehold property	6	(10,500)	(10,500)
Depreciation of plant and machinery	6	(10,975)	(11,260)
Depreciation of fixtures and fittings	6	(16,122)	(16,967)
Depreciation of fixtures and fittings	6	(588)	(284)
Total Expenditure		<u>(596,893)</u>	<u>(698,350)</u>
Realised gains/losses on investment assets		<u>300,633</u>	<u>21,599</u>
Net income		<u>214,353</u>	<u>37,069</u>
Net movement in funds		214,353	37,069

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

	Note	Total 2021 £	Total 2020 £
Reconciliation of funds			
Total funds brought forward		<u>2,200,315</u>	<u>2,163,246</u>
Total funds carried forward	20	<u>2,414,668</u>	<u>2,200,315</u>

THE ABBEYFIELD WORCESTER AND HEREFORD SOCIETY LIMITED

England & Wales - Charity number 259776

Accounts

Company registration number: 00961985

Charity registration number: 259776

The Abbeyfield Worcester and Hereford Society Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 September 2020

The Abbeyfield Worcester and Hereford Society Limited

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The Abbeyfield Worcester and Hereford Society Limited

Reference and Administrative Details

Trustees	Miss A England Miss P J Rayer G A Harris P S Kendal Dr S G King P C Scaiff
Principal Office	Whiston Court 20 White Ladies Close Worcester WR1 1QA
Company Registration Number	00961985
Charity Registration Number	259776
Solicitors	Harrison Clark Rickerbys Limited 5 Deansway Worcester Worcestershire WR1 2JG
Auditor	Ballards LLP Statutory Auditor 11c Kingswood Road Hampton Lovett Droitwich Worcestershire WR9 0QH

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 September 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

Objects and aims

The objects of the charity are to enhance the quality of life for older people by providing a service which offers a home for life integrated in a local community of high quality accommodation and a stimulating environment to maintain a socially active community that will directly benefit the mind, body and soul.

Public benefit

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

The company's directors (and trustees) are all voluntary and, in addition to their governance responsibility, also undertake various tasks to assist in the operation of the company.

The board is grateful to a small number of volunteers who participate in residents' social activities.

Achievements and performance

Review of business and results for the year

Having reached a satisfactory position when reporting in 2019 in terms of occupancy at both Whiston Court (Worcester) and Ainslie House (Hereford), with 21 apartments sold at Whiston Court and minimal rental vacancies, we were adversely affected last year by the pandemic. With one or two residents moving into care or passing away, vacancies became difficult to fill, with access for viewing purposes not possible without the risk of introducing the virus infection into either property.

Notwithstanding this difficulty, we managed to complete the year with aggregate income of £713,820 and an overall surplus of £37,069. This resulted in net assets of £2.200m at the end of the year (£2.163m at the end of the previous year) and long-term borrowings of £1.734m from Handelsbanken.

Future developments

The Board has been concentrating on steering a path through the pandemic which minimises the risk of the importing Covid 19 into the community, which has been achieved successfully as at the end of March 2021. Within the next few months, the board is hoping that a return to normality will allow it to turn its attention to the further development of the company.

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

Financial review

Policy on reserves

The Board is reviewing its reserves policy in the light of its changed circumstances but is planning to maintain sufficient general funds to finance the expenditure of the company over the following 12 months.

Investment policy and objectives

The board of directors exercises appropriate care and discretion in dealing with the company's financing and its investment in both long-term and short-term assets, minimising business risk.

Structure, governance and management

Nature of governing document

The Society is governed by its Memorandum and Articles of Association and was incorporated on 15 September 1969 as a company limited by guarantee with no share capital; the Company Number is 00961985. The Society is also registered as a charity, Charity Number 259776, and with the Housing Corporation as a Registered Social Housing Provider, Number H2907.

Recruitment and appointment of trustees

New trustees are recruited and appointed at the discretion of the existing trustees.

Induction and training of trustees

New trustees are instructed in their duties by the existing trustees and are required to be aware of the guidance to trustees issued by the Charity Commission.

Organisational structure

All trustees are members of the executive committee which is charged with the management of the charity in furtherance of its principal activity, fund management and financial affairs generally.

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

Financial risk management

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and stock. The charity's credit risk is primarily attributable to its trade receivables. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Statement of trustees responsibilities

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

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

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

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

Disclosure of information to auditor

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

Reappointment of auditor

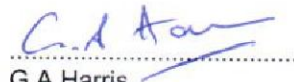
The auditors, Ballards LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Abbeyfield Worcester and Hereford Society Limited

Trustees' Report

The annual report was approved by the trustees of the charity on 4/5/2021 and signed on its behalf by:


.....
G A Harris
Trustee

The Abbeyfield Worcester and Hereford Society Limited

Independent Auditor's Report to the Members of The Abbeyfield Worcester and Hereford Society Limited

Opinion

We have audited the financial statements of The Abbeyfield Worcester and Hereford Society Limited (the 'charity') for the year ended 30 September 2020, which comprise the Statement of Financial Activities, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2020 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

The Abbeyfield Worcester and Hereford Society Limited

Independent Auditor's Report to the Members of The Abbeyfield Worcester and Hereford Society Limited

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.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Statement of trustees responsibilities [set out on page three], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

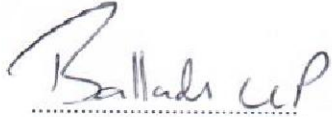
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

The Abbeyfield Worcester and Hereford Society Limited

**Independent Auditor's Report to the Members of The Abbeyfield Worcester and Hereford
Society Limited**



Ballards LLP, Statutory Auditor

Chartered Accountants

Registered Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

11c Kingswood Road

Hampton Lovett

Droitwich

Worcestershire

WR9 0QH

Date: 7 June 2021

The Abbeyfield Worcester and Hereford Society Limited

Statement of Financial Activities for the Year Ended 30 September 2020
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	12,455	4,278	16,733
Charitable activities	4	697,087	-	697,087
Total Income		709,542	4,278	713,820
Expenditure on:				
Raising funds		(129,287)	-	(129,287)
Charitable activities	6	(568,779)	(284)	(569,063)
Total Expenditure		(698,066)	(284)	(698,350)
Gains/losses on investment assets		21,599	-	21,599
Net income		33,075	3,994	37,069
Net movement in funds		33,075	3,994	37,069
Reconciliation of funds				
Total funds brought forward		2,158,810	4,436	2,163,246
Total funds carried forward	20	2,191,885	8,430	2,200,315
	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
Income and Endowments from:				
Donations and legacies	3	4,383	3,285	7,668
Charitable activities	4	1,758,183	-	1,758,183
Investment income	5	4	-	4
Total Income		1,762,570	3,285	1,765,855
Expenditure on:				
Raising funds		(976,468)	-	(976,468)
Charitable activities	6	(665,956)	(301)	(666,257)
Total Expenditure		(1,642,424)	(301)	(1,642,725)
Net income		120,146	2,984	123,130
Net movement in funds		120,146	2,984	123,130
Reconciliation of funds				
Total funds brought forward		2,038,664	1,452	2,040,116
Total funds carried forward	20	2,158,810	4,436	2,163,246

The Abbeyfield Worcester and Hereford Society Limited

(Registration number: 00961985)
Balance Sheet as at 30 September 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	646,383	648,921
Investments	13	<u>3,099,944</u>	<u>2,910,944</u>
		<u>3,746,327</u>	<u>3,559,865</u>
Current assets			
Stocks	14	-	296,688
Debtors	15	13,084	12,118
Cash at bank and in hand		<u>263,932</u>	<u>225,517</u>
		277,016	534,323
Creditors: Amounts falling due within one year	16	<u>(89,399)</u>	<u>(79,949)</u>
Net current assets		<u>187,617</u>	<u>454,374</u>
Total assets less current liabilities		3,933,944	4,014,239
Creditors: Amounts falling due after more than one year	17	<u>(1,733,629)</u>	<u>(1,850,993)</u>
Net assets		<u>2,200,315</u>	<u>2,163,246</u>
Funds of the charity:			
Restricted funds		8,430	4,436
Unrestricted income funds			
Unrestricted funds		<u>2,191,885</u>	<u>2,158,810</u>
Total funds	20	<u>2,200,315</u>	<u>2,163,246</u>

For the financial year ending 30 September 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

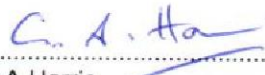
These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

The Abbeyfield Worcester and Hereford Society Limited

(Registration number: 00961985)
Balance Sheet as at 30 September 2020

The financial statements on pages 9 to 23 were approved by the trustees, and authorised for issue on 4/5/2021 and signed on their behalf by:


.....
G A Harris
Trustee

The Abbeyfield Worcester and Hereford Society Limited

Statement of Cash Flows for the Year Ended 30 September 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash income		37,069	123,130
Adjustments to cash flows from non-cash items			
Depreciation		39,011	35,023
Interest received	5	-	(4)
Interest payable		69,599	82,037
Revaluation of investments		(21,599)	-
		<u>124,080</u>	<u>240,186</u>
Working capital adjustments			
Decrease in stocks	14	129,287	976,468
(Increase)/decrease in debtors	15	(966)	7,367
Increase/(decrease) in creditors	16	16,780	(41,751)
(Decrease)/increase in deferred income	17	(8,415)	1,215
Net cash flows from operating activities		<u>260,766</u>	<u>1,183,485</u>
Cash flows from investing activities			
Interest receivable and similar income	5	-	4
Interest payable		(69,599)	(82,037)
Purchase of tangible fixed assets	12	(36,473)	(4,451)
Net cash flows from investing activities		<u>(106,072)</u>	<u>(86,484)</u>
Cash flows from financing activities			
Value of new loans obtained during the period		-	2,100,000
Repayment of loans and borrowings	16	(116,279)	(3,042,008)
Net cash flows from financing activities		<u>(116,279)</u>	<u>(942,008)</u>
Net increase in cash and cash equivalents		38,415	154,993
Cash and cash equivalents at 1 October		<u>225,517</u>	<u>70,524</u>
Cash and cash equivalents at 30 September		<u><u>263,932</u></u>	<u><u>225,517</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2020

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital.

2 Accounting policies

Statement of compliance

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

The COVID-19 global pandemic has impacted the charity during 2020 in that it was difficult to attract new residents for a period. This has caused a fall in income for several months during the year. This pattern has been seen across other Abbeyfield facilities so is not deemed to be unusual in the current climate. The Trustees are confident that the pandemic does not affect the charity's ability to continue as a going concern.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2020

Tangible fixed assets

The expenditure incurred in the construction of the Whiston Court property has been allocated into three areas on the balance sheet depending on the nature of the expenditure and planned use of the assets. This has been split as follows:

- Tangible assets include areas of the property retained by and for the ongoing use of the charity;
- Investment property includes the cost of apartments, including an allocation of communal areas, which are intended to be let by the charity; and
- Stock includes the cost of apartments, including an allocation of communal areas, which are intended to be sold by the charity.

Depreciation and amortisation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Asset class

Freehold property
Plant and machinery
Fixtures and fittings

Depreciation method and rate

Straight line over 50 years
Straight line between 5 and 25 years
Straight line between 5 and 10 years

Investment properties

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2020

Pensions and other post retirement obligations

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pensions scheme are charged to the Statement of Financial Activities in the period to which they relate.

3 Income from donations and legacies

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	General £	£	£	£
Donations and legacies;				
Donations from individuals	-	4,278	4,278	3,435
Other income from donations and legacies	12,455	-	12,455	4,233
	<u>12,455</u>	<u>4,278</u>	<u>16,733</u>	<u>7,668</u>

4 Income from charitable activities

	Unrestricted funds	Total 2020	Total 2019
	General £	£	£
Service charge income	347,324	347,324	339,262
Income from lettings	184,238	184,238	201,821
Apartment sales	165,525	165,525	1,215,600
	<u>697,087</u>	<u>697,087</u>	<u>1,756,683</u>

5 Investment income

	Total 2020	Total 2019
	£	£
Interest receivable and similar income;		
Interest receivable on bank deposits	<u>-</u>	<u>4</u>

6 Expenditure on charitable activities

		Unrestricted funds	Restricted funds	Total 2020	Total 2019
	Note	General £	£	£	£
Governance costs	7	<u>568,779</u>	<u>284</u>	<u>569,063</u>	<u>666,257</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2020

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds			
	General £	Restricted funds £	Total 2020 £	Total 2019 £
Staff costs				
Wages and salaries	224,094	-	224,094	214,768
Social security costs	11,565	-	11,565	8,114
Pension costs	9,106	-	9,106	8,919
Audit fees				
Audit of the financial statements	7,850	-	7,850	9,450
Staff and trustee expenses	2,914	-	2,914	4,747
Legal and professional fees	6,194	-	6,194	38,981
Estate agent fees	6,558	-	6,558	38,273
Marketing and publicity	645	-	645	20,386
Depreciation, amortisation and other similar costs	38,727	284	39,011	35,023
Other governance costs	261,126	-	261,126	287,596
	<u>568,779</u>	<u>284</u>	<u>569,063</u>	<u>666,257</u>

8 Net incoming/outgoing resources

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

	2020 £	2019 £
Audit fees	11,590	9,450
Depreciation of fixed assets	<u>39,011</u>	<u>35,023</u>

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses from the charity during the year.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2020

10 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	224,094	214,768
Social security costs	11,565	8,114
Pension costs	9,106	8,919
	<u>244,765</u>	<u>231,801</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2020 No	2019 No
Full time	1	1
Part time	14	15
	<u>15</u>	<u>16</u>

No employee received emoluments of more than £60,000 during the year.

11 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	<u>7,850</u>	<u>9,450</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2020

12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 October 2019	523,840	346,438	870,278
Additions	-	36,473	36,473
At 30 September 2020	<u>523,840</u>	<u>382,911</u>	<u>906,751</u>
Depreciation			
At 1 October 2019	36,750	184,607	221,357
Charge for the year	10,500	28,511	39,011
At 30 September 2020	<u>47,250</u>	<u>213,118</u>	<u>260,368</u>
Net book value			
At 30 September 2020	<u>476,590</u>	<u>169,793</u>	<u>646,383</u>
At 30 September 2019	<u>487,090</u>	<u>161,831</u>	<u>648,921</u>

13 Fixed asset investments

	2020 £	2019 £
Investment properties	<u>3,099,944</u>	<u>2,910,944</u>

Investment properties

	Investment properties £
Cost or Valuation	
At 1 October 2019	2,910,944
Transfer from stock	<u>189,000</u>
At 30 September 2020	3,099,944
Provision	
At 30 September 2020	<u>-</u>
Net book value	
At 30 September 2020	<u>3,099,944</u>
At 30 September 2019	<u>2,910,944</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2020

14 Stock

	2020 £	2019 £
Stocks	-	296,688

15 Debtors

	2020 £	2019 £
Trade debtors	5,321	-
Prepayments	7,763	8,915
VAT recoverable	-	3,203
	<u>13,084</u>	<u>12,118</u>

16 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans	27,364	26,279
Trade creditors	4,276	16,029
Other taxation and social security	33,219	2,316
Security deposits	12,180	14,550
Accruals	12,360	12,360
Contributions in advance	-	8,415
	<u>89,399</u>	<u>79,949</u>

Bank borrowings

During the financial period ended 30 September 2019, all loans were restructured whereby the Abbeyfield loans and Lloyds Bank loans were repaid and new funding taken out with Handelsbanken in February 2019.

The new loan facilities are as follows:

- A 5 year loan facility of £1,100,000. 12.719% is repayable by way of quarterly instalments during the term of the facility, and 87.281% is to be repaid on the maturity date. This loan is in effect a loan with a term of 25 years which has a review of interest rate every 5 years.
- A 5 year loan facility of £1,000,000. The facility shall be repayable in full on the maturity date.

17 Creditors: amounts falling due after one year

	2020 £	2019 £
Bank loans	<u>1,733,629</u>	<u>1,850,993</u>

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2020

18 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £9,106 (2019 - £8,919).

19 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2019 - £Nil).

Pension commitments

Commitments provided for in the accounts amounted to £3,499 (2019 - £2,213).

20 Funds

	Balance at 1 October 2019 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 30 September 2020 £
Unrestricted funds					
General	(2,158,810)	(709,542)	698,066	(21,599)	(2,191,885)
Restricted funds	<u>(4,436)</u>	<u>(4,278)</u>	<u>284</u>	<u>-</u>	<u>(8,430)</u>
Total funds	<u>(2,163,246)</u>	<u>(713,820)</u>	<u>698,350</u>	<u>(21,599)</u>	<u>(2,200,315)</u>
	Balance at 1 October 2018 £	Incoming resources £	Resources expended £		Balance at 30 September 2019 £
Unrestricted funds					
General	(2,038,664)	(1,762,570)	1,642,424		(2,158,810)
Restricted funds	<u>(1,452)</u>	<u>(3,285)</u>	<u>301</u>		<u>(4,436)</u>
Total funds	<u>(2,040,116)</u>	<u>(1,765,855)</u>	<u>1,642,725</u>		<u>(2,163,246)</u>

The restricted funds are primarily made up of donations received from anonymous benefactors. The expenditure from restricted funds relates to the depreciation charges for fixed assets which have been financed by those anonymous benefactor grants. The remaining funds are unrestricted.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2020

21 Analysis of net assets between funds

	Unrestricted funds		Restricted funds		Total funds
	General £		£		£
Tangible fixed assets	645,517		866		646,383
Fixed asset investments	3,099,944		-		3,099,944
Current assets	277,016		-		277,016
Current liabilities	(89,329)		-		(89,329)
Creditors over 1 year	<u>(1,733,629)</u>		<u>-</u>		<u>(1,733,629)</u>
Total net assets	<u>2,199,519</u>		<u>866</u>		<u>2,200,385</u>

22 Related party transactions

There were no related party transactions in the year.

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2020

	Note	Total 2020 £	Total 2019 £
Income and Endowments from:			
Donations	3	-	150
Donations	3	4,278	3,285
Other income	3	12,455	4,233
Income from lettings	4	184,238	201,821
Service charge income	4	347,324	339,262
Apartment sales	4	165,525	1,217,100
Interest on cash deposits	5	-	4
Total Income		<u>713,820</u>	<u>1,765,855</u>
Expenditure on:			
Cost of apartments sold		(129,287)	(976,468)
Wages and salaries	6	(224,094)	(214,768)
Staff NIC (Employers)	6	(11,565)	(8,114)
Staff pensions (Defined contribution)	6	(9,106)	(8,919)
Staff and trustee expenses	6	(2,914)	(4,747)
Rates	6	(4,200)	(11,078)
Water rates	6	(10,211)	(7,346)
Light, heat and power	6	(47,366)	(41,110)
Insurance	6	(14,048)	(13,678)
Repairs and maintenance	6	(26,957)	(34,802)
Telephone and broadband	6	(3,764)	(3,708)
Membership fee	6	(14,344)	(10,824)
Sundry expenses	6	(3,374)	(4,322)
Catering and cleaning	6	(48,938)	(54,275)
Marketing and publicity	6	(645)	(20,386)
The audit of the charity's annual accounts	6	(7,850)	(9,450)
Legal and professional fees	6	(6,194)	(38,981)
Estate agent fees	6	(6,558)	(38,273)
Irrecoverable VAT	6	(18,087)	(22,756)
Bank charges	6	(238)	(1,660)
Interest payable	6	(69,599)	(82,037)
Depreciation of freehold property	6	(10,500)	(10,500)
Depreciation of plant and machinery	6	(11,260)	(10,363)
Depreciation of fixtures and fittings	6	(16,967)	(13,859)
Depreciation of fixtures and fittings	6	(284)	(301)
Total Expenditure		<u>(698,350)</u>	<u>(1,642,725)</u>
Realised gains/losses on investment assets		<u>21,599</u>	<u>-</u>
Net income		<u>37,069</u>	<u>123,130</u>
Net movement in funds		37,069	123,130

The Abbeyfield Worcester and Hereford Society Limited

Notes to the Financial Statements for the Year Ended 30 September 2020

	Note	Total 2020 £	Total 2019 £
Reconciliation of funds			
Total funds brought forward		<u>2,163,246</u>	<u>2,040,116</u>
Total funds carried forward	20	<u>2,200,315</u>	<u>2,163,246</u>