

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

6 Expenditure on charitable activities

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

7 Analysis of governance and support costs

Governance costs

| | Unrestricted funds | | | |
|--|-------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| | General £ | Restricted funds £ | Total 2023 £ | Total 2022 £ |
| 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 | 944 | - |
| | <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 | 20,121 | 20,969 |
| | <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> |