

REGISTERED COMPANY NUMBER: 00956345 (England and Wales)
REGISTERED CHARITY NUMBER: 260015

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2021
for
THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

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for the Year Ended 31 March 2021**

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**Report of the Trustees
for the Year Ended 31 March 2021**

The Trustees (who are also directors for the purposes of the Companies Act) are pleased to present their annual directors' report together with the audited financial statements for the year ending 31 March 2021.

The Trustees confirm that the annual report and financial statements of the company comply with the Charities Act 2011, the Companies Act 2006, the requirements of the governing documents and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective January 2015).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Directors report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal objectives and activities of the Society in the year under review are as stated in its Memorandum of Association, in accordance with Charity Commission Guidance and are as follows -

The Society is established for the public benefit for the following objects:-

- (1) The relief and care of elderly persons of all classes suffering from the disabilities of old age or otherwise in need.
- (2) The spreading of Christian principles to all human relationships and the application of humanitarian aims to promote the relief of the elderly.
- (3) To provide further education in the sphere of voluntary work, social work and similar activities so as to inculcate the principles of good citizenship.
- (4) Such other purposes recognised by English law as charitable as the Society shall determine from time to time.

Significant activities and public benefit

The Abbeyfield Southend Society Ltd. is aware of and takes note of the Charity Commission's requirements regarding its charitable purpose and its benefit to the public.

The Society maintains safe and affordable accommodation for elderly and frail elderly people who may also appreciate the companionship of other Residents and caring staff. The Society has three Sheltered Houses offering a total of 33 rooms, and a Registered Residential Care Home providing 24-hour care and support for up to 25 residents.

The Society's main source of income comes from the charges it makes to Residents for their accommodation and services. Residents mainly fully fund themselves but there is provision available for residents to be assisted by Housing Benefits or Social Care contracts.

The strategy to meet the Society's charitable purposes is defined and reviewed by its Trustees and senior staff, with input from other staff and Residents themselves. It is a well-established fact that loneliness is of great concern to many elderly people and the Society does all that it can to help alleviate this worry. All aspects of Health and Safety and the provision of decent accommodation are adhered to and the Society's presence and services are advertised regularly to the local community. Prospective Residents are invited to inspect the Society's accommodation and are provided with an appropriate range of advice and documentation. In particular the availability of trained and experienced staff and Careline facilities are highlighted. The Society has links with the Local Authority and other organisations and groups.

**Report of the Trustees
for the Year Ended 31 March 2021**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

In February / March 2021 the Abbeyfield Society Ltd. undertook its review of the 2020/21 year, together with a budget-setting and planning exercise for the 2021/22 year for :-

- The Society's Head Office operation.
- St. George's Registered Residential Care Home (25 beds)
- Sheltered Houses :-
 - Fred Laws House (12 rooms)
 - Frank Phillips House (11 rooms)
 - St. Margaret's House (10 rooms)

Review 2020/21

The Covid19 Pandemic has had a considerable negative impact on the income, the performance and the resilience of the Society's staff and operations. It was noted in last year's Trustees' Report that the developing scale of the pandemic had been recognised and would therefore need to take precedence over all of the Society's stated plans for new improvements and other operational changes. In view of the rapidly developing situation, the decision was made to lock down the Society's 4 Houses from 16th March 2020. A nationwide lockdown was then announced by the Government on 23rd March 2020 and as a consequence, the Society office was closed the following day.

With the assistance of the Society's IT Support company - MFX Systems, arrangements for home working were implemented immediately and VPN's were arranged for key staff.

Plans were made to create a 3-month stockpile of PPE equipment as soon as possible and funding was committed from the Society's financial reserves to cover the considerable outlay. It should be noted that no support from government agencies to assist in the provision of PPE was made available until July 2020.

A "Covid log" was created in order to record and monitor all decisions and actions taken and the appropriate records were created to account for the use of the Government's Job Retention Scheme and other Government funding streams which were to appear as the health crisis worsened.

A system of communication was devised so that the Society could maintain contact with staff and also keep families up to date with the necessary restrictions being placed on Residents.

The Trustees decided to maintain staffing levels as opposed to laying staff off, despite an increasing drop in income. This decision made it possible to allow staff the opportunity to take annual leave as well as cover absences for those who had to self-isolate from time to time.

The amount of effort and staff dedication led by the example of Mrs S Speakman the Society's CEO, in keeping the Society's Houses Covid-free is a credit to all concerned.

The Board of Trustees conducted regular reviews of income and expenditure by Zoom and it quickly became evident that St. George's House was carrying vacancies of approximately 50% against an expected level of voids of 12% for the whole year. However, so as to protect both the staff and Residents of the House, the decision was made not to take any new Residents being discharged from hospital and other facilities. The wisdom and validity of this decision was swiftly borne out as throughout the UK, the death toll in many care homes due to the discharge of untested patients into care facilities, rose sharply.

During 2020/21 the Care Quality Commission, with whom St George's House is registered, was unable to conduct care home inspections by personal visits. However, checks were carried out by Inspectors via a scheme of "Engagement and Support" telephone calls which in part were designed to assess providers' ability to cope with the pandemic. St. George's House was tested by this method on 26/5/20 and the published Summary Record from CQC showed that all was satisfactory in all four areas of the test :-

- Safe Care and Treatment,
- Staffing Arrangements,
- Protection and Safeguarding and
- Assurance Processes involving monitoring and risk management.

**Report of the Trustees
for the Year Ended 31 March 2021**

Grateful thanks must go to all St George's House staff for this result and in particular to Mrs S McKay, the Registered Manager.

Occupancy and applications for the Society's Sheltered Houses during 2020/21 was patchy, and overall void levels became very similar to that of St. George's House. However, all services were maintained regardless, including out-of-hours on-call responses and the provision of unstinting support from the Society's Managers and other staff. A decision was made very early on that Sheltered House Residents and staff needed the same levels of protection as those in Registered Care, and so throughout the Covid-19 crisis, the management of these Houses has followed the directions and guidelines issued for Care settings. Once again, the wisdom of this decision was validated by the fact that these Houses have remained Covid-free throughout.

FINANCIAL REVIEW

Financial position and reserves policy

The results for the 2020/21 year and financial position of the company are as shown in the annexed financial statements. The deficit made in the year was £265,972 (last year a surplus of £101,544), and reserves at the year end were £2,814,223 (2020 £3,080,195).

It is the aim of the Society to ensure that it has sufficient reserves to:

- (a) Provide funds to enable the Society to continue its activities in the short term absence of a source of income.
- (b) Allow the Society to continue to develop other services it is able to offer to Residents.
- (c) Allow the Society to pursue long term capital projects to meet the needs of both present and future Residents.

In order to meet these requirements the Society aims to allow Unrestricted Reserves to grow by 5% to 15%, of turnover, per annum - as recommended by Abbeyfield National.

For the year under review the Society has not met this objective. The Trustees will continue to monitor and assess the Society's financial situation with regard to the Covid19 pandemic and this aspect has been covered in more detail above under Achievements and Performance.

Performance - 2021/22

There is no doubt that the Society has incurred substantial losses during this financial year.

Although no expense was spared in ensuring the safety of the Society's Residents and staff, nevertheless, expenditure was reviewed on a daily basis in order to minimise this financial loss wherever possible. Mention has already been made of staffing levels and the reason for not laying staff off or considering a redundancy exercise. The Trustee's decisions in this regard were based on sound risk assessment and the need to be prepared for when, rather than if, void levels improved. The Trustees cannot lay enough emphasis on how well the Society's staff have coped with and performed throughout what has been and still is, a very worrying time. Towards the end of 2020 it was estimated that financial losses could well be in excess of £300K by accounting year end. It is the opinion of the Board of Trustees that the final result is therefore testament to good governance, excellent budgetary control and value for money. It has also to be noted that whilst the Society was not eligible for the Government's Local Restrictions Support Grants (LRSG), it has been able to take advantage of the Job Retention Scheme, plus the various grants for Infection Control and Rapid Testing.

The experiences of this last year have tested the Society's systems and crisis management processes to the limit and Abbeyfield Southend has not been found wanting. There has also been the opportunity for learning from the challenges presented and this learning will be taken forward into what is hoped will be a strong recovery process.

**Report of the Trustees
for the Year Ended 31 March 2021**

FINANCIAL REVIEW

Value for Money metrics

The Regulator of Social Housing brought in new Value for Money metrics in 2018 that requires all its social housing members to consider and report on at the end of the year.

The Trustees have considered the 7 metric tests -

Metric 1 - Re-investment % - There has been no property development in the year with expenditure focused on maintaining assets. The reinvestment metric is therefore 0%.

Metric 2a - New Supply (Social Housing Units) % and Metric 2b - New Supply (Non-Social Housing Units) % - There have been no new units created, this metric is therefore 0% for both.

Metric 3 - Gearing % - As the charity does not have any loans this metric does not apply.

Metric 4 - EBITDA MRI Interest Cover % - As mentioned in metric 3 above the charity does not have any debt and therefore this metric does not apply.

Metric 5 - Headline Social Housing Cost - Based on total charitable activity costs together with support costs less depreciation, and capitalised major repairs; divided by room rather than house. This cost is £26,811 per room/unit.

Metric 6a Operating Margin (social housing lettings) % and Metric 6b Operating Margin (overall) % - As there was a deficit made on lettings and overall for the year, these metrics are negative and are -21.97% and -20.63%.

Metric 7 - Return on Capital Employed % - As there was an operating loss for the year the result for this metric is negative and is -9.45%.

FUTURE PLANS - 2021/2022

The Trustees undertook a budget setting exercise in January / February and a plan to achieve a recovery by March 2022 raised two main issues :-

- When would trust be restored to the safety of care homes and how soon would voids reach a minimum acceptable level of 12%?

- How much should charges be raised, bearing in mind that many months may pass before income improved and also to remain competitive in the market.

Pending a full review in October 2021 it was decided to set voids at 25% and rent increases by 9%. The rent increase took into account the need to cover, to some extent, a slow recovery and also the mandatory rise in the National Living Wage. In addition, further waves of Covid19 infections were expected and the effectiveness of vaccines was still being researched. The effect of Brexit was also causing some concern regarding food costs and other possible inflationary pressures.

Encouraging signs of recovery are currently being noted in respect of interest in the Society's Sheltered Houses and efforts are being made to raise the profile of St. George's House by means of additional, targeted advertising.

The Society is also pleased to report that two new Trustees will be appointed at the next Annual General Meeting.

The Society is prepared with optimism for the coming year and options have already been discussed to ensure safeguarding the viability of the business. Solid investment reserves are available and readily accessible should they be needed. The Society will, therefore revert, as soon as possible, to its previously published business plan in terms of development, etc.

Against this background thanks must go to the Society's staff, Trustees and House Committee volunteers, who have worked and continue to work hard to provide current and potential Residents with affordable, good quality care and housing services.

In the meantime, the Society will continue to do its utmost to care for and protect its Residents and staff.

**Report of the Trustees
for the Year Ended 31 March 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Abbeyfield Southend Society Ltd is a registered company in England (No. 0956345), limited by guarantee without share capital and governed by its Memorandum and Articles of Association dated 17/06/1969, and as amended by special resolutions dated 26/3/98, 14/08/01, 31/10/01 and 02/04/04.

The Society is registered as a charity with the Charity Commission (No. 260015) and also registered with the Regulator of Social Housing as a Social Landlord (No. HO833). The Society is wholly engaged in hostel activities as defined in the Housing Act 1974.

The Society is an affiliated member of The Abbeyfield Society.

Recruitment, appointment and training of new trustees

The Society is currently looking to recruit new Trustees and is doing this both by advertising locally and also by existing Trustees networking within the local community. Each potential Trustee is interviewed by the Chairman and an existing Trustee who then make recommendation to the Executive Committee. Despite these efforts few people are putting themselves forward for consideration and there are currently three Board member vacancies. This matter is of concern, both in terms of the burden being placed on current Trustees and of the need to develop the role and strengths of the Executive Committee for the future.

All new Trustees are invited to the Society's Head Office and undergo a formal induction which includes, amongst other things, full details of the Society's structure, its policies and procedures and also its history. The Society's skills audit for Trustees is also updated at that time.

Organisational structure

The Executive Committee which meets every four weeks, or more often if required, is supported by the senior staff employed by the Society:- a CEO, a Support Manager, an Operations Manager and the Manager of St George's House, Registered Residential Care Home. Thus, each aspect of the Society's business is regularly reviewed and any changes in policy are fully debated and agreed. The Trustees make themselves available to assist with such matters such as selection interviewing for new staff, complaints investigation and the monitoring of budget expenditure as well as the development of policy and procedure. The Society employs up to 50 staff which provide management/administrative support, Sheltered House services (including out-of-hours Careline response), personal care services, cleaning and maintenance.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00956345 (England and Wales)

Registered Charity number

260015

Registered office

Ground Floor
19 Clifftown Road
Southend on Sea
Essex
SS1 1AB

Trustees

E T Speakman
R M N Calton
G Salmon (resigned 30.8.2020)
E T Martin
I P Carey
Mrs S B Turrell

**Report of the Trustees
for the Year Ended 31 March 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

BDA Associates Limited
Statutory Auditor
Chartered Accountants
Annecy Court
Ferry Works
Summer Road
Thames Ditton
Surrey
KT7 0QJ

Solicitors

Beecham Fisher Ridley
26 Clifftown Road
Southend on Sea
Essex
SS1 1AH

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

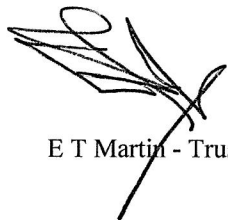
AUDITORS

The auditors, BDA Associates Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**Report of the Trustees
for the Year Ended 31 March 2021**

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

Approved by order of the board of trustees on 23 June 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'E T Martin', written over a horizontal line.

E T Martin - Trustee

**Report of the Independent Auditors to the Members of
The Abbeyfield Southend Society Limited**

Opinion

We have audited the financial statements of The Abbeyfield Southend Society Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
The Abbeyfield Southend Society Limited**

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of The Abbeyfield Southend Society Limited

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the charity and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the directors and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
The Abbeyfield Southend Society Limited**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Rajesh Amin (Senior Statutory Auditor)
for and on behalf of BDA Associates Limited
Statutory Auditor
Chartered Accountants
Annecy Court
Ferry Works
Summer Road
Thames Ditton
Surrey
KT7 0QJ

30 June 2021

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Statement of Financial Activities
for the Year Ended 31 March 2021**

	Notes	Unrestricted fund £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	420	-	420	1,907
Charitable activities					
Provision of sheltered housing & residential care	6	1,230,805	53,290	1,284,095	1,687,735
Other trading activities	4	90	-	90	1,274
Investment income	5	4,483	-	4,483	7,321
Total		1,235,798	53,290	1,289,088	1,698,237
EXPENDITURE ON					
Charitable activities					
Provision of sheltered housing & residential care	7	1,520,569	34,491	1,555,060	1,596,693
NET INCOME/(EXPENDITURE)		(284,771)	18,799	(265,972)	101,544
RECONCILIATION OF FUNDS					
Total funds brought forward		3,080,195	-	3,080,195	2,978,651
TOTAL FUNDS CARRIED FORWARD		2,795,424	18,799	2,814,223	3,080,195

The notes form part of these financial statements

Statement of Financial Position
31 March 2021

	Notes	31.3.21 £	31.3.20 £
FIXED ASSETS			
Tangible assets	14	2,044,406	2,069,646
CURRENT ASSETS			
Debtors	15	47,292	36,724
Cash at bank and in hand		786,108	1,081,539
		<u>833,400</u>	<u>1,118,263</u>
CREDITORS			
Amounts falling due within one year	16	(63,583)	(107,714)
NET CURRENT ASSETS		<u>769,817</u>	<u>1,010,549</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,814,223</u>	<u>3,080,195</u>
NET ASSETS		<u>2,814,223</u>	<u>3,080,195</u>
FUNDS	19		
Unrestricted funds		2,795,424	3,080,195
Restricted funds		18,799	-
TOTAL FUNDS		<u>2,814,223</u>	<u>3,080,195</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 23 June 2021 and were signed on its behalf by:



E T Martin - Trustee



E T Speakman - Trustee

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Statement of Cash Flows
for the Year Ended 31 March 2021**

	Notes	31.3.21 £	31.3.20 £
Cash flows from operating activities			
Cash generated from operations	1	(299,794)	178,716
Interest paid		(20)	(25)
Net cash (used in)/provided by operating activities		<u>(299,814)</u>	<u>178,691</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(208,904)
Interest received		4,483	7,321
Net cash provided by/(used in) investing activities		<u>4,483</u>	<u>(201,583)</u>
Change in cash and cash equivalents in the reporting period		<u>(295,331)</u>	<u>(22,892)</u>
Cash and cash equivalents at the beginning of the reporting period	2	<u>1,081,036</u>	<u>1,103,928</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>785,705</u></u>	<u><u>1,081,036</u></u>

The notes form part of these financial statements

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Notes to the Statement of Cash Flows
for the Year Ended 31 March 2021**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.21	31.3.20
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(265,972)	101,544
Adjustments for:		
Depreciation charges	25,240	27,635
Interest received	(4,483)	(7,321)
Interest paid	20	25
Increase in debtors	(10,568)	(5,084)
(Decrease)/increase in creditors	(44,031)	61,917
Net cash (used in)/provided by operations	(299,794)	178,716

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.3.21	31.3.20
	£	£
Cash in hand	439	2,218
Notice deposits (less than 3 months)	785,669	1,079,321
Overdrafts included in bank loans and overdrafts falling due within one year	(403)	(503)
Total cash and cash equivalents	785,705	1,081,036

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20	Cash flow	At 31.3.21
	£	£	£
Net cash			
Cash at bank and in hand	1,081,539	(295,431)	786,108
Bank overdraft	(503)	100	(403)
	1,081,036	(295,331)	785,705
Total	1,081,036	(295,331)	785,705

The notes form part of these financial statements

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2021

1. STATUTORY INFORMATION

The Society is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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. The financial statements have been prepared under the historical cost convention.

Income

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

Income derived from rentals is stated net of losses from voids.

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.

Tangible fixed assets

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

Freehold property	- 2% on cost
Fixtures and fittings	- 10% on reducing balance

When properties have been financed wholly, or partly, by Social Housing Grant (SHG), the net book value of those properties has been reduced by the amount of grant receivable. On the disposal of a property on which an SHG has been received, the SHG must be either returned or recycled within three years.

Taxation

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

Fund accounting

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

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

Pension costs and other post-retirement benefits

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

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

3. DONATIONS AND LEGACIES		31.3.21	31.3.20
		£	£
Donations		420	1,907
		<u><u></u></u>	<u><u></u></u>
4. OTHER TRADING ACTIVITIES		31.3.21	31.3.20
		£	£
Fundraising events		90	1,274
		<u><u></u></u>	<u><u></u></u>
5. INVESTMENT INCOME		31.3.21	31.3.20
		£	£
Deposit account interest		4,483	7,321
		<u><u></u></u>	<u><u></u></u>
6. INCOME FROM CHARITABLE ACTIVITIES		31.3.21	31.3.20
	Activity	£	£
Residents fees	Provision of sheltered housing & residential care	1,210,654	1,687,735
Infection control grants	Provision of sheltered housing & residential care	45,772	-
Job retention scheme grant	Provision of sheltered housing & residential care	20,151	-
Rapid testing grant	Provision of sheltered housing & residential care	6,886	-
Workforce capacity grant	Provision of sheltered housing & residential care	632	-
		<u><u></u></u>	<u><u></u></u>
		1,284,095	1,687,735
		<u><u></u></u>	<u><u></u></u>
7. CHARITABLE ACTIVITIES COSTS			
	Direct Costs (see note 8)	Support costs (see note 9)	Totals
	£	£	£
Provision of sheltered housing & residential care	1,209,796	345,264	1,555,060
	<u><u></u></u>	<u><u></u></u>	<u><u></u></u>

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.21	31.3.20
	£	£
Staff costs	665,088	618,351
Rates and water	18,563	24,361
Insurance	23,647	19,436
Light and heat	56,437	62,145
Telephone	3,346	5,449
Postage and stationery	64	895
Sundries	3,689	13,442
Provisions and household supplies	62,069	68,967
Catering	145,576	180,593
Agency staff	7,973	76,730
Repairs and maintenance	92,285	128,916
Training	3,277	1,525
Computer and software	4,228	4,107
Coronavirus costs	73,345	-
Infection control grant costs	27,605	-
Depreciation	22,604	24,707
	<u>1,209,796</u>	<u>1,229,624</u>

9. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Provision of sheltered housing & residential care	<u>317,635</u>	<u>1,352</u>	<u>26,277</u>	<u>345,264</u>

Support costs, included in the above, are as follows:

Management

	31.3.21	31.3.20
	£	£
Provision of sheltered housing & residential care	232,915	211,020
Wages	14,472	16,276
Social security	9,853	9,735
Pensions	29,478	30,464
Rent and service charges	1,302	1,800
Insurance	1,513	801
Telephone	7,309	8,269
Postage and stationery	1,175	10,102
Advertising	1,552	4,779
Sundries	3,922	3,649
Computer expenses	2,287	5,568
Repairs and renewals	85	4,365
Training	<u>305,863</u>	<u>306,828</u>
Carried forward		

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

9. SUPPORT COSTS - continued

Management - continued

	31.3.21	31.3.20
	Provision of sheltered housing & residential care	Total activities
	£	£
Brought forward	305,863	306,828
Legal and professional fees	9,136	27,858
Depreciation of tangible and heritage assets	2,636	2,928
	<hr/> 317,635 <hr/>	<hr/> 337,614 <hr/>

Finance

	31.3.21	31.3.20
	Provision of sheltered housing & residential care	Total activities
	£	£
Bank charges	1,332	1,401
Mortgage	20	25
	<hr/> 1,352 <hr/>	<hr/> 1,426 <hr/>

Governance costs

	31.3.21	31.3.20
	Provision of sheltered housing & residential care	Total activities
	£	£
Auditors' remuneration	9,600	9,600
Affiliation fees	16,677	18,429
	<hr/> 26,277 <hr/>	<hr/> 28,029 <hr/>

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

10. NET INCOME/(EXPENDITURE)

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

	31.3.21	31.3.20
	£	£
Auditors' remuneration	9,600	9,600
Depreciation - owned assets	25,240	27,635
	<u><u> </u></u>	<u><u> </u></u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

12. STAFF COSTS

	31.3.21	31.3.20
	£	£
Wages and salaries	835,260	774,728
Social security costs	55,782	53,248
Other pension costs	31,286	27,406
	<u><u>922,328</u></u>	<u><u>855,382</u></u>

The average monthly number of employees during the year was as follows:

	31.3.21	31.3.20
	48	48
All houses and head office	<u><u> </u></u>	<u><u> </u></u>

No employees received emoluments in excess of £60,000.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	1,907
Charitable activities	
Provision of sheltered housing & residential care	1,687,735
Other trading activities	1,274
Investment income	7,321
Total	<u>1,698,237</u>
EXPENDITURE ON	
Charitable activities	
Provision of sheltered housing & residential care	1,596,693

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £
NET INCOME	<u>101,544</u>
RECONCILIATION OF FUNDS	
Total funds brought forward	2,978,651
TOTAL FUNDS CARRIED FORWARD	<u><u>3,080,195</u></u>

14. TANGIBLE FIXED ASSETS

	Freehold property £	Social housing grant £	Fixtures and fittings £	Totals £
COST				
At 1 April 2020 and 31 March 2021	<u>3,683,034</u>	<u>(1,440,897)</u>	<u>563,006</u>	<u>2,805,143</u>
DEPRECIATION				
At 1 April 2020	388,061	-	347,436	735,497
Charge for year	<u>3,683</u>	<u>-</u>	<u>21,557</u>	<u>25,240</u>
At 31 March 2021	<u>391,744</u>	<u>-</u>	<u>368,993</u>	<u>760,737</u>
NET BOOK VALUE				
At 31 March 2021	<u><u>3,291,290</u></u>	<u><u>(1,440,897)</u></u>	<u><u>194,013</u></u>	<u><u>2,044,406</u></u>
At 31 March 2020	<u><u>3,294,973</u></u>	<u><u>(1,440,897)</u></u>	<u><u>215,570</u></u>	<u><u>2,069,646</u></u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21 £	31.3.20 £
Trade debtors	3,900	3,806
Prepayments and accrued income	<u>43,392</u>	<u>32,918</u>
	<u>47,292</u>	<u>36,724</u>

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Bank loans and overdrafts (see note 17)	403	503
Trade creditors	30,819	14,463
Accruals and deferred income	32,361	92,748
	<u>63,583</u>	<u>107,714</u>

17. LOANS

An analysis of the maturity of loans is given below:

	31.3.21	31.3.20
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	403	503
	<u>403</u>	<u>503</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	31.3.21	31.3.20
	Unrestricted fund	Total funds
	£	£
Fixed assets	2,044,406	2,069,646
Current assets	814,601	1,118,263
Current liabilities	(63,583)	(107,714)
	<u>2,795,424</u>	<u>3,080,195</u>

19. MOVEMENT IN FUNDS

	At 1.4.20	Net movement in funds	At 31.3.21
	£	£	£
Unrestricted funds			
General fund	3,080,195	(284,771)	2,795,424
Restricted funds			
Infection Control Grant	-	18,167	18,167
Workforce Capacity Grant	-	632	632
	<u>-</u>	<u>18,799</u>	<u>18,799</u>
TOTAL FUNDS	<u>3,080,195</u>	<u>(265,972)</u>	<u>2,814,223</u>

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

19. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,235,798	(1,520,569)	(284,771)
Restricted funds			
Infection Control Grant	45,772	(27,605)	18,167
Workforce Capacity Grant	632	-	632
Rapid Testing Grant	6,886	(6,886)	-
	<u>53,290</u>	<u>(34,491)</u>	<u>18,799</u>
TOTAL FUNDS	<u>1,289,088</u>	<u>(1,555,060)</u>	<u>(265,972)</u>

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	2,978,651	101,544	3,080,195
TOTAL FUNDS	<u>2,978,651</u>	<u>101,544</u>	<u>3,080,195</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,698,237	(1,596,693)	101,544
TOTAL FUNDS	<u>1,698,237</u>	<u>(1,596,693)</u>	<u>101,544</u>

Purposes of restricted funds:

Infection Control Grant fund - funding from Central Government via Southend Borough Council to assist with adult social care providers to reduce the rate of Covid-19 transmission within and between care settings.

Rapid Testing Grant fund - funding from Central Government via Southend Borough Council to assist with the increased costs of implementing the governments coronavirus testing regime for staff.

Workforce Capacity Grant fund - funding initially made available to recruit extra staff, but this then changed that the money was to be paid direct to care staff as a "thank you" from the Government.

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2021**

	31.3.21 £	31.3.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	420	1,907
Other trading activities		
Fundraising events	90	1,274
Investment income		
Deposit account interest	4,483	7,321
Charitable activities		
Residents fees	1,210,654	1,687,735
Infection control grants	45,772	-
Job retention scheme grant	20,151	-
Rapid testing grant	6,886	-
Workforce capacity grant	632	-
	<hr/> 1,284,095	<hr/> 1,687,735
Total incoming resources	<hr/> 1,289,088	<hr/> 1,698,237
EXPENDITURE		
Charitable activities		
Wages	602,345	563,708
Social security	41,310	36,972
Pensions	21,433	17,671
Rates and water	18,563	24,361
Insurance	23,647	19,436
Light and heat	56,437	62,145
Telephone	3,346	5,449
Postage and stationery	64	895
Sundries	3,689	13,442
Provisions and household supplies	62,069	68,967
Catering	145,576	180,593
Agency staff	7,973	76,730
Repairs and maintenance	92,285	128,916
Training	3,277	1,525
Computer and software	4,228	4,107
Coronavirus costs	73,345	-
Infection control grant costs	27,605	-
Depreciation of tangible fixed assets	22,604	24,707
	<hr/> 1,209,796	<hr/> 1,229,624
Support costs		
Management		
Wages	232,915	211,020
Carried forward	232,915	211,020

This page does not form part of the statutory financial statements

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2021**

	31.3.21 £	31.3.20 £
Management		
Brought forward	232,915	211,020
Social security	14,472	16,276
Pensions	9,853	9,735
Rent and service charges	29,478	30,464
Insurance	1,302	1,800
Telephone	1,513	801
Postage and stationery	7,309	8,269
Advertising	1,175	10,102
Sundries	1,552	4,779
Computer expenses	3,922	3,649
Repairs and renewals	2,287	5,568
Training	85	4,365
Legal and professional fees	9,136	27,858
Depreciation - fixtures and fittings	2,636	2,928
	<hr/> 317,635	<hr/> 337,614
Finance		
Bank charges	1,332	1,401
Mortgage	20	25
	<hr/> 1,352	<hr/> 1,426
Governance costs		
Auditors' remuneration	9,600	9,600
Affiliation fees	16,677	18,429
	<hr/> 26,277	<hr/> 28,029
Total resources expended	<hr/> 1,555,060	<hr/> 1,596,693
Net (expenditure)/income	<hr/> <hr/> (265,972)	<hr/> <hr/> 101,544

This page does not form part of the statutory financial statements

REGISTERED COMPANY NUMBER: 00956345 (England and Wales)
REGISTERED CHARITY NUMBER: 260015

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2021
for
THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Contents of the Financial Statements
for the Year Ended 31 March 2021**

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**Report of the Trustees
for the Year Ended 31 March 2021**

The Trustees (who are also directors for the purposes of the Companies Act) are pleased to present their annual directors' report together with the audited financial statements for the year ending 31 March 2021.

The Trustees confirm that the annual report and financial statements of the company comply with the Charities Act 2011, the Companies Act 2006, the requirements of the governing documents and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective January 2015).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Directors report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal objectives and activities of the Society in the year under review are as stated in its Memorandum of Association, in accordance with Charity Commission Guidance and are as follows -

The Society is established for the public benefit for the following objects:-

- (1) The relief and care of elderly persons of all classes suffering from the disabilities of old age or otherwise in need.
- (2) The spreading of Christian principles to all human relationships and the application of humanitarian aims to promote the relief of the elderly.
- (3) To provide further education in the sphere of voluntary work, social work and similar activities so as to inculcate the principles of good citizenship.
- (4) Such other purposes recognised by English law as charitable as the Society shall determine from time to time.

Significant activities and public benefit

The Abbeyfield Southend Society Ltd. is aware of and takes note of the Charity Commission's requirements regarding its charitable purpose and its benefit to the public.

The Society maintains safe and affordable accommodation for elderly and frail elderly people who may also appreciate the companionship of other Residents and caring staff. The Society has three Sheltered Houses offering a total of 33 rooms, and a Registered Residential Care Home providing 24-hour care and support for up to 25 residents.

The Society's main source of income comes from the charges it makes to Residents for their accommodation and services. Residents mainly fully fund themselves but there is provision available for residents to be assisted by Housing Benefits or Social Care contracts.

The strategy to meet the Society's charitable purposes is defined and reviewed by its Trustees and senior staff, with input from other staff and Residents themselves. It is a well-established fact that loneliness is of great concern to many elderly people and the Society does all that it can to help alleviate this worry. All aspects of Health and Safety and the provision of decent accommodation are adhered to and the Society's presence and services are advertised regularly to the local community. Prospective Residents are invited to inspect the Society's accommodation and are provided with an appropriate range of advice and documentation. In particular the availability of trained and experienced staff and Careline facilities are highlighted. The Society has links with the Local Authority and other organisations and groups.

**Report of the Trustees
for the Year Ended 31 March 2021**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

In February / March 2021 the Abbeyfield Society Ltd. undertook its review of the 2020/21 year, together with a budget-setting and planning exercise for the 2021/22 year for :-

- The Society's Head Office operation.
- St. George's Registered Residential Care Home (25 beds)
- Sheltered Houses :-
 - Fred Laws House (12 rooms)
 - Frank Phillips House (11 rooms)
 - St. Margaret's House (10 rooms)

Review 2020/21

The Covid19 Pandemic has had a considerable negative impact on the income, the performance and the resilience of the Society's staff and operations. It was noted in last year's Trustees' Report that the developing scale of the pandemic had been recognised and would therefore need to take precedence over all of the Society's stated plans for new improvements and other operational changes. In view of the rapidly developing situation, the decision was made to lock down the Society's 4 Houses from 16th March 2020. A nationwide lockdown was then announced by the Government on 23rd March 2020 and as a consequence, the Society office was closed the following day.

With the assistance of the Society's IT Support company - MFX Systems, arrangements for home working were implemented immediately and VPN's were arranged for key staff.

Plans were made to create a 3-month stockpile of PPE equipment as soon as possible and funding was committed from the Society's financial reserves to cover the considerable outlay. It should be noted that no support from government agencies to assist in the provision of PPE was made available until July 2020.

A "Covid log" was created in order to record and monitor all decisions and actions taken and the appropriate records were created to account for the use of the Government's Job Retention Scheme and other Government funding streams which were to appear as the health crisis worsened.

A system of communication was devised so that the Society could maintain contact with staff and also keep families up to date with the necessary restrictions being placed on Residents.

The Trustees decided to maintain staffing levels as opposed to laying staff off, despite an increasing drop in income. This decision made it possible to allow staff the opportunity to take annual leave as well as cover absences for those who had to self-isolate from time to time.

The amount of effort and staff dedication led by the example of Mrs S Speakman the Society's CEO, in keeping the Society's Houses Covid-free is a credit to all concerned.

The Board of Trustees conducted regular reviews of income and expenditure by Zoom and it quickly became evident that St. George's House was carrying vacancies of approximately 50% against an expected level of voids of 12% for the whole year. However, so as to protect both the staff and Residents of the House, the decision was made not to take any new Residents being discharged from hospital and other facilities. The wisdom and validity of this decision was swiftly borne out as throughout the UK, the death toll in many care homes due to the discharge of untested patients into care facilities, rose sharply.

During 2020/21 the Care Quality Commission, with whom St George's House is registered, was unable to conduct care home inspections by personal visits. However, checks were carried out by Inspectors via a scheme of "Engagement and Support" telephone calls which in part were designed to assess providers' ability to cope with the pandemic. St. George's House was tested by this method on 26/5/20 and the published Summary Record from CQC showed that all was satisfactory in all four areas of the test :-

- Safe Care and Treatment,
- Staffing Arrangements,
- Protection and Safeguarding and
- Assurance Processes involving monitoring and risk management.

**Report of the Trustees
for the Year Ended 31 March 2021**

Grateful thanks must go to all St George's House staff for this result and in particular to Mrs S McKay, the Registered Manager.

Occupancy and applications for the Society's Sheltered Houses during 2020/21 was patchy, and overall void levels became very similar to that of St. George's House. However, all services were maintained regardless, including out-of-hours on-call responses and the provision of unstinting support from the Society's Managers and other staff. A decision was made very early on that Sheltered House Residents and staff needed the same levels of protection as those in Registered Care, and so throughout the Covid-19 crisis, the management of these Houses has followed the directions and guidelines issued for Care settings. Once again, the wisdom of this decision was validated by the fact that these Houses have remained Covid-free throughout.

FINANCIAL REVIEW

Financial position and reserves policy

The results for the 2020/21 year and financial position of the company are as shown in the annexed financial statements. The deficit made in the year was £265,972 (last year a surplus of £101,544), and reserves at the year end were £2,814,223 (2020 £3,080,195).

It is the aim of the Society to ensure that it has sufficient reserves to:

- (a) Provide funds to enable the Society to continue its activities in the short term absence of a source of income.
- (b) Allow the Society to continue to develop other services it is able to offer to Residents.
- (c) Allow the Society to pursue long term capital projects to meet the needs of both present and future Residents.

In order to meet these requirements the Society aims to allow Unrestricted Reserves to grow by 5% to 15%, of turnover, per annum - as recommended by Abbeyfield National.

For the year under review the Society has not met this objective. The Trustees will continue to monitor and assess the Society's financial situation with regard to the Covid19 pandemic and this aspect has been covered in more detail above under Achievements and Performance.

Performance - 2021/22

There is no doubt that the Society has incurred substantial losses during this financial year.

Although no expense was spared in ensuring the safety of the Society's Residents and staff, nevertheless, expenditure was reviewed on a daily basis in order to minimise this financial loss wherever possible. Mention has already been made of staffing levels and the reason for not laying staff off or considering a redundancy exercise. The Trustee's decisions in this regard were based on sound risk assessment and the need to be prepared for when, rather than if, void levels improved. The Trustees cannot lay enough emphasis on how well the Society's staff have coped with and performed throughout what has been and still is, a very worrying time. Towards the end of 2020 it was estimated that financial losses could well be in excess of £300K by accounting year end. It is the opinion of the Board of Trustees that the final result is therefore testament to good governance, excellent budgetary control and value for money. It has also to be noted that whilst the Society was not eligible for the Government's Local Restrictions Support Grants (LRSG), it has been able to take advantage of the Job Retention Scheme, plus the various grants for Infection Control and Rapid Testing.

The experiences of this last year have tested the Society's systems and crisis management processes to the limit and Abbeyfield Southend has not been found wanting. There has also been the opportunity for learning from the challenges presented and this learning will be taken forward into what is hoped will be a strong recovery process.

**Report of the Trustees
for the Year Ended 31 March 2021**

FINANCIAL REVIEW

Value for Money metrics

The Regulator of Social Housing brought in new Value for Money metrics in 2018 that requires all its social housing members to consider and report on at the end of the year.

The Trustees have considered the 7 metric tests -

Metric 1 - Re-investment % - There has been no property development in the year with expenditure focused on maintaining assets. The reinvestment metric is therefore 0%.

Metric 2a - New Supply (Social Housing Units) % and Metric 2b - New Supply (Non-Social Housing Units) % - There have been no new units created, this metric is therefore 0% for both.

Metric 3 - Gearing % - As the charity does not have any loans this metric does not apply.

Metric 4 - EBITDA MRI Interest Cover % - As mentioned in metric 3 above the charity does not have any debt and therefore this metric does not apply.

Metric 5 - Headline Social Housing Cost - Based on total charitable activity costs together with support costs less depreciation, and capitalised major repairs; divided by room rather than house. This cost is £26,811 per room/unit.

Metric 6a Operating Margin (social housing lettings) % and Metric 6b Operating Margin (overall) % - As there was a deficit made on lettings and overall for the year, these metrics are negative and are -21.97% and -20.63%.

Metric 7 - Return on Capital Employed % - As there was an operating loss for the year the result for this metric is negative and is -9.45%.

FUTURE PLANS - 2021/2022

The Trustees undertook a budget setting exercise in January / February and a plan to achieve a recovery by March 2022 raised two main issues :-

- When would trust be restored to the safety of care homes and how soon would voids reach a minimum acceptable level of 12%?

- How much should charges be raised, bearing in mind that many months may pass before income improved and also to remain competitive in the market.

Pending a full review in October 2021 it was decided to set voids at 25% and rent increases by 9%. The rent increase took into account the need to cover, to some extent, a slow recovery and also the mandatory rise in the National Living Wage. In addition, further waves of Covid19 infections were expected and the effectiveness of vaccines was still being researched. The effect of Brexit was also causing some concern regarding food costs and other possible inflationary pressures.

Encouraging signs of recovery are currently being noted in respect of interest in the Society's Sheltered Houses and efforts are being made to raise the profile of St. George's House by means of additional, targeted advertising.

The Society is also pleased to report that two new Trustees will be appointed at the next Annual General Meeting.

The Society is prepared with optimism for the coming year and options have already been discussed to ensure safeguarding the viability of the business. Solid investment reserves are available and readily accessible should they be needed. The Society will, therefore revert, as soon as possible, to its previously published business plan in terms of development, etc.

Against this background thanks must go to the Society's staff, Trustees and House Committee volunteers, who have worked and continue to work hard to provide current and potential Residents with affordable, good quality care and housing services.

In the meantime, the Society will continue to do its utmost to care for and protect its Residents and staff.

**Report of the Trustees
for the Year Ended 31 March 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Abbeyfield Southend Society Ltd is a registered company in England (No. 0956345), limited by guarantee without share capital and governed by its Memorandum and Articles of Association dated 17/06/1969, and as amended by special resolutions dated 26/3/98, 14/08/01, 31/10/01 and 02/04/04.

The Society is registered as a charity with the Charity Commission (No. 260015) and also registered with the Regulator of Social Housing as a Social Landlord (No. HO833). The Society is wholly engaged in hostel activities as defined in the Housing Act 1974.

The Society is an affiliated member of The Abbeyfield Society.

Recruitment, appointment and training of new trustees

The Society is currently looking to recruit new Trustees and is doing this both by advertising locally and also by existing Trustees networking within the local community. Each potential Trustee is interviewed by the Chairman and an existing Trustee who then make recommendation to the Executive Committee. Despite these efforts few people are putting themselves forward for consideration and there are currently three Board member vacancies. This matter is of concern, both in terms of the burden being placed on current Trustees and of the need to develop the role and strengths of the Executive Committee for the future.

All new Trustees are invited to the Society's Head Office and undergo a formal induction which includes, amongst other things, full details of the Society's structure, its policies and procedures and also its history. The Society's skills audit for Trustees is also updated at that time.

Organisational structure

The Executive Committee which meets every four weeks, or more often if required, is supported by the senior staff employed by the Society:- a CEO, a Support Manager, an Operations Manager and the Manager of St George's House, Registered Residential Care Home. Thus, each aspect of the Society's business is regularly reviewed and any changes in policy are fully debated and agreed. The Trustees make themselves available to assist with such matters such as selection interviewing for new staff, complaints investigation and the monitoring of budget expenditure as well as the development of policy and procedure. The Society employs up to 50 staff which provide management/administrative support, Sheltered House services (including out-of-hours Careline response), personal care services, cleaning and maintenance.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00956345 (England and Wales)

Registered Charity number

260015

Registered office

Ground Floor
19 Clifftown Road
Southend on Sea
Essex
SS1 1AB

Trustees

E T Speakman
R M N Calton
G Salmon (resigned 30.8.2020)
E T Martin
I P Carey
Mrs S B Turrell

**Report of the Trustees
for the Year Ended 31 March 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

BDA Associates Limited
Statutory Auditor
Chartered Accountants
Annecy Court
Ferry Works
Summer Road
Thames Ditton
Surrey
KT7 0QJ

Solicitors

Beecham Fisher Ridley
26 Clifftown Road
Southend on Sea
Essex
SS1 1AH

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

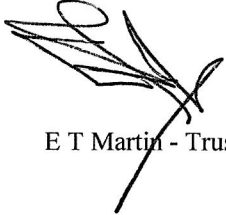
AUDITORS

The auditors, BDA Associates Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**Report of the Trustees
for the Year Ended 31 March 2021**

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

Approved by order of the board of trustees on 23 June 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'E T Martin', with a long horizontal stroke extending to the right.

E T Martin - Trustee

**Report of the Independent Auditors to the Members of
The Abbeyfield Southend Society Limited**

Opinion

We have audited the financial statements of The Abbeyfield Southend Society Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
The Abbeyfield Southend Society Limited**

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of The Abbeyfield Southend Society Limited

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the charity and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the directors and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
The Abbeyfield Southend Society Limited**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Rajesh Amin (Senior Statutory Auditor)
for and on behalf of BDA Associates Limited
Statutory Auditor
Chartered Accountants
Annecy Court
Ferry Works
Summer Road
Thames Ditton
Surrey
KT7 0QJ

30 June 2021

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Statement of Financial Activities
for the Year Ended 31 March 2021**

	Notes	Unrestricted fund £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	420	-	420	1,907
Charitable activities					
Provision of sheltered housing & residential care	6	1,230,805	53,290	1,284,095	1,687,735
Other trading activities	4	90	-	90	1,274
Investment income	5	4,483	-	4,483	7,321
Total		1,235,798	53,290	1,289,088	1,698,237
EXPENDITURE ON					
Charitable activities					
Provision of sheltered housing & residential care	7	1,520,569	34,491	1,555,060	1,596,693
NET INCOME/(EXPENDITURE)		(284,771)	18,799	(265,972)	101,544
RECONCILIATION OF FUNDS					
Total funds brought forward		3,080,195	-	3,080,195	2,978,651
TOTAL FUNDS CARRIED FORWARD		2,795,424	18,799	2,814,223	3,080,195

The notes form part of these financial statements

Statement of Financial Position
31 March 2021

	Notes	31.3.21 £	31.3.20 £
FIXED ASSETS			
Tangible assets	14	2,044,406	2,069,646
CURRENT ASSETS			
Debtors	15	47,292	36,724
Cash at bank and in hand		786,108	1,081,539
		<u>833,400</u>	<u>1,118,263</u>
CREDITORS			
Amounts falling due within one year	16	(63,583)	(107,714)
NET CURRENT ASSETS		<u>769,817</u>	<u>1,010,549</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,814,223</u>	<u>3,080,195</u>
NET ASSETS		<u>2,814,223</u>	<u>3,080,195</u>
FUNDS	19		
Unrestricted funds		2,795,424	3,080,195
Restricted funds		18,799	-
TOTAL FUNDS		<u>2,814,223</u>	<u>3,080,195</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 23 June 2021 and were signed on its behalf by:



E T Martin - Trustee



E T Speakman - Trustee

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Statement of Cash Flows
for the Year Ended 31 March 2021**

	Notes	31.3.21 £	31.3.20 £
Cash flows from operating activities			
Cash generated from operations	1	(299,794)	178,716
Interest paid		(20)	(25)
Net cash (used in)/provided by operating activities		<u>(299,814)</u>	<u>178,691</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(208,904)
Interest received		4,483	7,321
Net cash provided by/(used in) investing activities		<u>4,483</u>	<u>(201,583)</u>
Change in cash and cash equivalents in the reporting period		<u>(295,331)</u>	<u>(22,892)</u>
Cash and cash equivalents at the beginning of the reporting period	2	<u>1,081,036</u>	<u>1,103,928</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>785,705</u></u>	<u><u>1,081,036</u></u>

The notes form part of these financial statements

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Notes to the Statement of Cash Flows
for the Year Ended 31 March 2021**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.21	31.3.20
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(265,972)	101,544
Adjustments for:		
Depreciation charges	25,240	27,635
Interest received	(4,483)	(7,321)
Interest paid	20	25
Increase in debtors	(10,568)	(5,084)
(Decrease)/increase in creditors	(44,031)	61,917
Net cash (used in)/provided by operations	<u>(299,794)</u>	<u>178,716</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.3.21	31.3.20
	£	£
Cash in hand	439	2,218
Notice deposits (less than 3 months)	785,669	1,079,321
Overdrafts included in bank loans and overdrafts falling due within one year	(403)	(503)
Total cash and cash equivalents	<u>785,705</u>	<u>1,081,036</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20	Cash flow	At 31.3.21
	£	£	£
Net cash			
Cash at bank and in hand	1,081,539	(295,431)	786,108
Bank overdraft	(503)	100	(403)
	<u>1,081,036</u>	<u>(295,331)</u>	<u>785,705</u>
Total	<u>1,081,036</u>	<u>(295,331)</u>	<u>785,705</u>

The notes form part of these financial statements

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2021

1. STATUTORY INFORMATION

The Society is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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. The financial statements have been prepared under the historical cost convention.

Income

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

Income derived from rentals is stated net of losses from voids.

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.

Tangible fixed assets

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

Freehold property	- 2% on cost
Fixtures and fittings	- 10% on reducing balance

When properties have been financed wholly, or partly, by Social Housing Grant (SHG), the net book value of those properties has been reduced by the amount of grant receivable. On the disposal of a property on which an SHG has been received, the SHG must be either returned or recycled within three years.

Taxation

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

Fund accounting

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

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

Pension costs and other post-retirement benefits

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

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

3. DONATIONS AND LEGACIES		31.3.21	31.3.20
		£	£
Donations		420	1,907
		<u><u></u></u>	<u><u></u></u>
4. OTHER TRADING ACTIVITIES		31.3.21	31.3.20
		£	£
Fundraising events		90	1,274
		<u><u></u></u>	<u><u></u></u>
5. INVESTMENT INCOME		31.3.21	31.3.20
		£	£
Deposit account interest		4,483	7,321
		<u><u></u></u>	<u><u></u></u>
6. INCOME FROM CHARITABLE ACTIVITIES		31.3.21	31.3.20
	Activity	£	£
Residents fees	Provision of sheltered housing & residential care	1,210,654	1,687,735
Infection control grants	Provision of sheltered housing & residential care	45,772	-
Job retention scheme grant	Provision of sheltered housing & residential care	20,151	-
Rapid testing grant	Provision of sheltered housing & residential care	6,886	-
Workforce capacity grant	Provision of sheltered housing & residential care	632	-
		<u><u></u></u>	<u><u></u></u>
		1,284,095	1,687,735
		<u><u></u></u>	<u><u></u></u>
7. CHARITABLE ACTIVITIES COSTS			
	Direct Costs (see note 8)	Support costs (see note 9)	Totals
	£	£	£
Provision of sheltered housing & residential care	1,209,796	345,264	1,555,060
	<u><u></u></u>	<u><u></u></u>	<u><u></u></u>

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.21	31.3.20
	£	£
Staff costs	665,088	618,351
Rates and water	18,563	24,361
Insurance	23,647	19,436
Light and heat	56,437	62,145
Telephone	3,346	5,449
Postage and stationery	64	895
Sundries	3,689	13,442
Provisions and household supplies	62,069	68,967
Catering	145,576	180,593
Agency staff	7,973	76,730
Repairs and maintenance	92,285	128,916
Training	3,277	1,525
Computer and software	4,228	4,107
Coronavirus costs	73,345	-
Infection control grant costs	27,605	-
Depreciation	22,604	24,707
	<u>1,209,796</u>	<u>1,229,624</u>

9. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Provision of sheltered housing & residential care	<u>317,635</u>	<u>1,352</u>	<u>26,277</u>	<u>345,264</u>

Support costs, included in the above, are as follows:

Management

	31.3.21	31.3.20
	£	£
Provision of sheltered housing & residential care	232,915	211,020
Wages	14,472	16,276
Social security	9,853	9,735
Pensions	29,478	30,464
Rent and service charges	1,302	1,800
Insurance	1,513	801
Telephone	7,309	8,269
Postage and stationery	1,175	10,102
Advertising	1,552	4,779
Sundries	3,922	3,649
Computer expenses	2,287	5,568
Repairs and renewals	85	4,365
Training	<u>305,863</u>	<u>306,828</u>
Carried forward		

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

9. SUPPORT COSTS - continued

Management - continued

	31.3.21	31.3.20
	Provision of sheltered housing & residential care	Total activities
	£	£
Brought forward	305,863	306,828
Legal and professional fees	9,136	27,858
Depreciation of tangible and heritage assets	2,636	2,928
	<hr/> 317,635 <hr/>	<hr/> 337,614 <hr/>

Finance

	31.3.21	31.3.20
	Provision of sheltered housing & residential care	Total activities
	£	£
Bank charges	1,332	1,401
Mortgage	20	25
	<hr/> 1,352 <hr/>	<hr/> 1,426 <hr/>

Governance costs

	31.3.21	31.3.20
	Provision of sheltered housing & residential care	Total activities
	£	£
Auditors' remuneration	9,600	9,600
Affiliation fees	16,677	18,429
	<hr/> 26,277 <hr/>	<hr/> 28,029 <hr/>

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

10. NET INCOME/(EXPENDITURE)

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

	31.3.21	31.3.20
	£	£
Auditors' remuneration	9,600	9,600
Depreciation - owned assets	25,240	27,635
	<u><u> </u></u>	<u><u> </u></u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

12. STAFF COSTS

	31.3.21	31.3.20
	£	£
Wages and salaries	835,260	774,728
Social security costs	55,782	53,248
Other pension costs	31,286	27,406
	<u><u>922,328</u></u>	<u><u>855,382</u></u>

The average monthly number of employees during the year was as follows:

	31.3.21	31.3.20
	48	48
All houses and head office	<u><u> </u></u>	<u><u> </u></u>

No employees received emoluments in excess of £60,000.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	1,907
Charitable activities	
Provision of sheltered housing & residential care	1,687,735
Other trading activities	1,274
Investment income	7,321
Total	<u>1,698,237</u>
EXPENDITURE ON	
Charitable activities	
Provision of sheltered housing & residential care	1,596,693

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £
NET INCOME	<u>101,544</u>
RECONCILIATION OF FUNDS	
Total funds brought forward	2,978,651
TOTAL FUNDS CARRIED FORWARD	<u><u>3,080,195</u></u>

14. TANGIBLE FIXED ASSETS

	Freehold property £	Social housing grant £	Fixtures and fittings £	Totals £
COST				
At 1 April 2020 and 31 March 2021	<u>3,683,034</u>	<u>(1,440,897)</u>	<u>563,006</u>	<u>2,805,143</u>
DEPRECIATION				
At 1 April 2020	388,061	-	347,436	735,497
Charge for year	<u>3,683</u>	<u>-</u>	<u>21,557</u>	<u>25,240</u>
At 31 March 2021	<u>391,744</u>	<u>-</u>	<u>368,993</u>	<u>760,737</u>
NET BOOK VALUE				
At 31 March 2021	<u><u>3,291,290</u></u>	<u><u>(1,440,897)</u></u>	<u><u>194,013</u></u>	<u><u>2,044,406</u></u>
At 31 March 2020	<u><u>3,294,973</u></u>	<u><u>(1,440,897)</u></u>	<u><u>215,570</u></u>	<u><u>2,069,646</u></u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21 £	31.3.20 £
Trade debtors	3,900	3,806
Prepayments and accrued income	<u>43,392</u>	<u>32,918</u>
	<u><u>47,292</u></u>	<u><u>36,724</u></u>

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Bank loans and overdrafts (see note 17)	403	503
Trade creditors	30,819	14,463
Accruals and deferred income	32,361	92,748
	<u>63,583</u>	<u>107,714</u>

17. LOANS

An analysis of the maturity of loans is given below:

	31.3.21	31.3.20
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	403	503
	<u>403</u>	<u>503</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	31.3.21	31.3.20
	Unrestricted fund	Total funds
	£	£
Fixed assets	2,044,406	2,069,646
Current assets	814,601	1,118,263
Current liabilities	(63,583)	(107,714)
	<u>2,795,424</u>	<u>3,080,195</u>

19. MOVEMENT IN FUNDS

	At 1.4.20	Net movement in funds	At 31.3.21
	£	£	£
Unrestricted funds			
General fund	3,080,195	(284,771)	2,795,424
Restricted funds			
Infection Control Grant	-	18,167	18,167
Workforce Capacity Grant	-	632	632
	<u>-</u>	<u>18,799</u>	<u>18,799</u>
TOTAL FUNDS	<u>3,080,195</u>	<u>(265,972)</u>	<u>2,814,223</u>

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

19. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,235,798	(1,520,569)	(284,771)
Restricted funds			
Infection Control Grant	45,772	(27,605)	18,167
Workforce Capacity Grant	632	-	632
Rapid Testing Grant	6,886	(6,886)	-
	<u>53,290</u>	<u>(34,491)</u>	<u>18,799</u>
TOTAL FUNDS	<u>1,289,088</u>	<u>(1,555,060)</u>	<u>(265,972)</u>

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	2,978,651	101,544	3,080,195
TOTAL FUNDS	<u>2,978,651</u>	<u>101,544</u>	<u>3,080,195</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,698,237	(1,596,693)	101,544
TOTAL FUNDS	<u>1,698,237</u>	<u>(1,596,693)</u>	<u>101,544</u>

Purposes of restricted funds:

Infection Control Grant fund - funding from Central Government via Southend Borough Council to assist with adult social care providers to reduce the rate of Covid-19 transmission within and between care settings.

Rapid Testing Grant fund - funding from Central Government via Southend Borough Council to assist with the increased costs of implementing the governments coronavirus testing regime for staff.

Workforce Capacity Grant fund - funding initially made available to recruit extra staff, but this then changed that the money was to be paid direct to care staff as a "thank you" from the Government.

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2021**

	31.3.21 £	31.3.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	420	1,907
Other trading activities		
Fundraising events	90	1,274
Investment income		
Deposit account interest	4,483	7,321
Charitable activities		
Residents fees	1,210,654	1,687,735
Infection control grants	45,772	-
Job retention scheme grant	20,151	-
Rapid testing grant	6,886	-
Workforce capacity grant	632	-
	<hr/> 1,284,095	<hr/> 1,687,735
Total incoming resources	<hr/> 1,289,088	<hr/> 1,698,237
EXPENDITURE		
Charitable activities		
Wages	602,345	563,708
Social security	41,310	36,972
Pensions	21,433	17,671
Rates and water	18,563	24,361
Insurance	23,647	19,436
Light and heat	56,437	62,145
Telephone	3,346	5,449
Postage and stationery	64	895
Sundries	3,689	13,442
Provisions and household supplies	62,069	68,967
Catering	145,576	180,593
Agency staff	7,973	76,730
Repairs and maintenance	92,285	128,916
Training	3,277	1,525
Computer and software	4,228	4,107
Coronavirus costs	73,345	-
Infection control grant costs	27,605	-
Depreciation of tangible fixed assets	22,604	24,707
	<hr/> 1,209,796	<hr/> 1,229,624
Support costs		
Management		
Wages	232,915	211,020
Carried forward	232,915	211,020

This page does not form part of the statutory financial statements

THE ABBEYFIELD SOUTHEND SOCIETY LIMITED

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2021**

	31.3.21 £	31.3.20 £
Management		
Brought forward	232,915	211,020
Social security	14,472	16,276
Pensions	9,853	9,735
Rent and service charges	29,478	30,464
Insurance	1,302	1,800
Telephone	1,513	801
Postage and stationery	7,309	8,269
Advertising	1,175	10,102
Sundries	1,552	4,779
Computer expenses	3,922	3,649
Repairs and renewals	2,287	5,568
Training	85	4,365
Legal and professional fees	9,136	27,858
Depreciation - fixtures and fittings	2,636	2,928
	<hr/> 317,635	<hr/> 337,614
Finance		
Bank charges	1,332	1,401
Mortgage	20	25
	<hr/> 1,352	<hr/> 1,426
Governance costs		
Auditors' remuneration	9,600	9,600
Affiliation fees	16,677	18,429
	<hr/> 26,277	<hr/> 28,029
Total resources expended	<hr/> 1,555,060	<hr/> 1,596,693
Net (expenditure)/income	<hr/> <hr/> (265,972)	<hr/> <hr/> 101,544

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The Trustees
The Abbeyfield Southend Society Ltd
Ground Floor
19 Clifftown Road
SOUTHEND-ON-SEA
Essex SS1 1AB

Our Ref: AW/1611/EG
30th June 2021

Dear Sirs

**RE: THE ABBEYFIELD SOUTHEND SOCIETY LIMITED
FINANCIAL STATEMENTS YEAR ENDED 31ST MARCH 2021
MANAGEMENT LETTER**

We have completed the preparation and audit of the financial statements for the Society for the year ended 31st March 2021.

In what we appreciate has been a very challenging year for the charity, our audit has not uncovered any issues requiring discussion this year.

Please note that the above does not necessarily mean that there are no other weaknesses in the Company's accounting systems and financial control procedures. Our audit is designed to test the Company's accounting records, systems and controls to the extent necessary for us to form an opinion on the truth and fairness of the financial statements. There may be weaknesses in your Company's accounting systems and financial control procedures that our normal audit procedures would not necessarily detect.

Finally, may we thank all at the Society for their assistance during this audit wish them well for this current year.

Yours faithfully

**Raj Amin
BDA Associates Limited
Chartered Accountants**