

# **The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited**

## **Financial Statements**

**Year Ended 31 March 2024**

Regulator for Social Housing registration number: H1167

Company registration number: 955757 (England & Wales)

Charity registration number: 262424

**The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited**

**Financial Statements**

**Year Ended 31 March 2024**

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## **The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited**

### **Registered Social Housing Provider Information**

**Year Ended 31 March 2024**

**Members of the board  
at 31 March 2024**

Ms KJ Sheldon (Chairman)  
Mrs CJ Hopcraft  
Ms L Hoteit  
Mr J Eversham  
Mr D Steer (appointed 27 April 2023, resigned  
15 February 2024)  
Mr G Adeleke (appointed 25 July 2023)  
Mr A Shailer-Smith (appointed 4 January 2022,  
resigned 10 August 2023)  
Mrs J Ridgway (resigned 23 June 2023)  
Mr G Wrzosek (appointed 26 February 2024)  
Ms D Marsh (appointed 6 November 2023,  
resigned 10 July 2024))  
Mrs R Stonestreet (appointed 22 January 2024)  
Miss M Brady (appointed 22 January 2024)  
Mr I Smith (appointed 26 February 2024)  
Mr P Ashbrook (appointed 24 June 2024)

**Registered office**

Annett House  
Common Gardens  
Potten End  
Hertfordshire  
HP4 2RH

**Auditor**

Hillier Hopkins LLP  
Radius House  
51 Clarendon Road  
Watford  
Hertfordshire  
WD17 1HP

**Solicitors**

Austins Penny & Thorne  
175 High Street  
Berkhamsted  
Hertfordshire  
HP4 3HG

**Bankers**

Barclays Bank PLC  
Lloyds Bank PLC

**Regulator for Social Housing  
registration number**

H1167

**Company registration number**

00955757 (England & Wales)

**Charity registration number**

262424

## **The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited**

### **Independent Auditor's Report to the Members of The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited**

The board of The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited present their report and the audited financial statements of the Society for the year ended 31 March 2024.

#### **Members of the board**

The members of the board who have served during the year are as follows:

Ms KJ Sheldon (Chairman)  
Mrs CJ Hopcraft  
Ms L Hoteit  
Mr J Eversham  
Mr D Steer (appointed 27 April 2023, resigned 15 February 2024)  
Mr G Adeleke (appointed 25 July 2023)  
Mr A Shailer-Smith (appointed 4 January 2022, resigned 10 August 2023)  
Mrs J Ridgway (resigned 23 June 2023)  
Mr G Wrzosek (appointed 26 February 2024)  
Ms D Marsh (appointed 6 November 2023, resigned 10 July 2024))  
Mrs R Stonestreet (appointed 22 January 2024)  
Miss M Brady (appointed 22 January 2024)  
Mr I Smith (appointed 26 February 2024)  
Mr P Ashbrook (appointed 24 June 2024)

#### **Review of activities**

The principal activity of the Society is to provide supported sheltered housing accommodation for lonely and elderly people in accordance with the aims and principles of the national Abbeyfield Society. Each year the Directors review the Society's objectives and activities to ensure that they continue to reflect its aims; in carrying out this review the Directors, who are also charitable trustees, have considered the Charity Commission's guidance on public benefit. The Society aims to offer equal and fair access to all eligible older people and the Society aims to be affordable to all. Financial assessments do not play a part in the selection process, but the Society will discuss with applicants the charges and how they plan to meet them; where appropriate the Society will facilitate access to advice about claiming benefits and provide any information in support of a resident's claim.

A review of the current level of staff coverage within the houses took place and a more robust staff structure was established, and recruitment of staff began. The Society has focused on increasing the level of cover with the Society to ensure that the residents and sponsors have increased visibility of management and have an improved service provided by skilled staff.

#### **Results for the year and reserves policy**

The Society reports a surplus of £61,498 for the year under review (2023: £120,906). We have experienced times of reduced income within the houses due to short term voids (8% in 2024, 5% in 2023) which have occurred due to residents moving on. The society has continued to focus on completing the outstanding repairs and maintenance that was placed on hold due to the previous COVID -19 restrictions as a result there has been an increase compared to the previous year.

The Society's reserves stand at £1,526,407 of which £639,295 is held in cash. In the first instance, this would be required to cover at least six months' cash operating costs in the event of an emergency and is therefore considered adequate. It is the policy of the Directors to utilise any further surpluses which arise to maintain and improve the physical condition of the Society's houses.

## **The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited**

### **Independent Auditor's Report to the Members of The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited**

#### **Future developments**

The Society wishes to ensure a safe and happy environment in its houses, but the Directors will not take any action which could threaten the safety of the residents and will continue to follow the guidance and advice issued by the government and by health and regulatory bodies as far as imposing and lifting restrictions on access to the houses is concerned. The Directors are confident that reserves are adequate to protect the Society's financial position in the present circumstances.

The Society will aim to continue to invest in refurbishing and modernising the accommodation of the three supported sheltered houses which it owns, and the Directors will continue to use all generated operating surpluses to improve the quality of the houses as well as maintain an appropriate level of cash reserves to fund the operations of the Society.

The Board, which is wholly comprised of volunteers, will continue to seek new members who can contribute to the work of the Society and take it forward in planning for the future. The roles of paid staff are being developed to the extent permitted by available funding to ensure that the houses are run professionally and are not adversely affected by the absence of volunteers.

#### **Governance**

The Society is bound by the Governance and Financial Viability Standard issued by the Regulator of Social Housing and by the Charity Commission's Code of Governance. The Directors are of the view that compliance with these codes is best achieved by continuous adherence to the Core Standard set by the national Abbeyfield Society with which the Society has in the past achieved full compliance. The Core Standard will shortly be replaced by the Quality Standard with which the Society will comply.

The Directors keep under regular review the risks to which the Society may be exposed, and the means of mitigating such risks, and they acknowledge their ultimate responsibility for ensuring that the Society has in place a system of controls that is appropriate to the business environment in which the Society operates.

The Directors find that after making enquiries they have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

#### **Directors' responsibilities**

The Board is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulation.

Company law and social housing legislation requires the Board to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law the Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Society and of the surplus or deficit of the Society for that period.

## **The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited**

### **Independent Auditor's Report to the Members of The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited**

In preparing these financial statements, the Board members are required to:

- select suitable accounting policies and apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice "Accounting by Registered Social Housing Providers 2018" and FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Society will continue in business.

Board members are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Registered Providers of Social Housing 2019. They are also responsible for safeguarding the assets of the Society and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

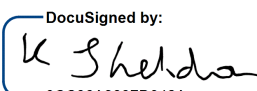
Board members are responsible for ensuring that the Report of the Board is prepared in accordance with the Statement of Recommended Practice "Accounting by Registered Social Housing Providers 2018" and FRS 102. The Board is responsible for ensuring that the assets of the Society are properly applied under charity law.

#### **Disclosure of information to the auditors**

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **By order of the Board**

DocuSigned by:  
  
0CC96A3897D042A...  
**Ms Karen Sheldon**

**Chairman**

**Date** 17-10-2024 | 09:15 BST

## **The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited**

### **Independent Auditor's Report to the Members of The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited**

#### **Opinion**

We have audited the financial statements of The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited (the 'association') for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the association's affairs as at 31 March 2024, and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2015.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the association 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 board's 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 association'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 board with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The board are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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 course of 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.

## **The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited**

### **Independent Auditor's Report to the Members of The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited (continued)**

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- the association has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation; or
- the revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the association's books of account; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

#### **Responsibilities of the board**

As explained more fully in the board's responsibilities statement set out on page 4, the board 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 it determines 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 board are responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the association's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

## **The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited**

### **Independent Auditor's Report to the Members of The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited (continued)**

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

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the association operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2015.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>

This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the association's members, as a body, in accordance with Section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Alexander Bottom ACA (Senior Statutory Auditor)

For and on behalf of  
**Hillier Hopkins LLP**

Chartered Accountants  
Statutory Auditor

Radius House  
51 Clarendon Road  
Watford  
Hertfordshire  
WD17 1HP

Date

**The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited****Statement of Comprehensive Income (Including Income and Expenditure Account)****Year Ended 31 March 2024**

|                                                  | Note | Year ended<br>31 March 2024<br>£ | Year ended<br>31 March 2023<br>£ |
|--------------------------------------------------|------|----------------------------------|----------------------------------|
| <b>Turnover</b>                                  | 2    | 676,894                          | 709,440                          |
| Operating costs                                  | 2,3  | <u>(627,934)</u>                 | <u>(591,914)</u>                 |
| <b>Operating surplus</b>                         |      | 48,960                           | 117,526                          |
| Interest receivable and similar income           | 5    | <u>8,350</u>                     | <u>3,380</u>                     |
| <b>Surplus for the year before and after tax</b> |      | <u>57,310</u>                    | <u>120,906</u>                   |
| <b>Total comprehensive income for the year</b>   |      | <u>57,310</u>                    | <u>120,906</u>                   |

All of the above amounts relate to continuing operations.

There were no recognised gains or losses other than the surplus for the year stated above.

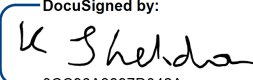
The notes on pages 12 to 20 form part of these financial statements

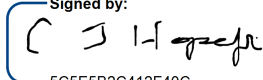
**The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited****Statement of Financial Position****Year Ended 31 March 2024**

|                                                                | Note   | 2024<br>£ | 2023<br>£ |
|----------------------------------------------------------------|--------|-----------|-----------|
| <b>Fixed assets</b>                                            |        |           |           |
| Tangible fixed assets                                          | 12, 13 | 1,042,823 | 992,603   |
|                                                                |        | 1,042,823 | 992,603   |
| <b>Current assets</b>                                          |        |           |           |
| Debtors                                                        | 15     | 5,600     | 11,289    |
| Cash at bank and in hand                                       |        | 639,295   | 633,407   |
|                                                                |        | 644,895   | 644,696   |
| <b>Creditors: amounts falling due within one year</b>          | 16     | (24,269)  | (26,713)  |
| <b>Net current assets</b>                                      |        | 620,626   | 617,983   |
| <b>Total assets less current liabilities</b>                   |        | 1,663,449 | 1,610,586 |
| <b>Creditors: amounts falling due after more than one year</b> | 17     | (141,230) | (145,677) |
| <b>Total net assets</b>                                        |        | 1,522,219 | 1,464,909 |
| <b>Reserves</b>                                                |        |           |           |
| Income and expenditure reserve                                 | 19     | 1,522,219 | 1,464,909 |

The financial statements were approved and authorised for issue by the Board.

**Signed on behalf of the Board:**

DocuSigned by:  
  
 0CC96A3897D042A...  
**Ms K Sheldon**  
**Director**  
**Date:** 17-10-2024 | 09:15 BST

Signed by:  
  
 5C5E5B2C412F40C...  
**Ms C Hopcraft**  
**Director**  
**Date:** 17-10-2024 | 10:36 BST

The notes on pages 12 to 20 form part of these accounts.

**The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited**

**Statement of Changes in Reserves**

**Year Ended 31 March 2024**

**Income and Expenditure Reserve**

|                         |                         |
|-------------------------|-------------------------|
|                         | <b>£</b>                |
| <b>At 1 April 2023</b>  | 1,464,909               |
| Surplus for the year    | <u>61,498</u>           |
| <b>At 31 March 2024</b> | <u><b>1,526,407</b></u> |

# The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

## Statement of Cash Flows

### Year Ended 31 March 2024

|                                                                | Note  | Year ended<br>31 March<br>2023<br>£ | Year ended<br>31 March<br>2022<br>£ |
|----------------------------------------------------------------|-------|-------------------------------------|-------------------------------------|
| <b>Cash flow from operating activities</b>                     |       |                                     |                                     |
| <b>Surplus for the year</b>                                    | 2     | 48,960                              | 117,526                             |
| Adjustments for:                                               |       |                                     |                                     |
| Depreciation of fixed assets: housing properties               | 12    | 37,039                              | 35,314                              |
| Depreciation of fixed assets: fixtures, fittings and equipment | 13    | 28,770                              | 21,752                              |
| Purchase of fixed assets                                       | 12/13 | (116,030)                           | (77,113)                            |
| Amortisation of capital grant                                  | 18    | (4,447)                             | (4,447)                             |
| Decrease/(Increase) in debtors                                 |       | 5,689                               | (4,373)                             |
| Increase/(Decrease) in creditors                               |       | (2,443)                             | 607                                 |
| <b>Net cash inflow from operating activities</b>               |       | <b>(2,462)</b>                      | <b>89,266</b>                       |
| <b>Cash flow from investing activities</b>                     |       |                                     |                                     |
| Interest received                                              |       | 8,350                               | 3,380                               |
| <b>Net cash inflow/(outflow) from investing activities</b>     |       | <b>8,350</b>                        | <b>3,380</b>                        |
| <b>Net increase in cash and cash equivalents</b>               |       | <b>5,888</b>                        | <b>92,646</b>                       |
| <b>Cash and cash equivalents at 31 March 2023</b>              |       | <b>633,407</b>                      | <b>540,761</b>                      |
| <b>Cash and cash equivalents at 31 March 2024</b>              |       | <b>639,295</b>                      | <b>633,407</b>                      |
| <b>Cash and cash equivalents consists of:</b>                  |       |                                     |                                     |
| Cash at bank and in hand                                       |       | 639,295                             | 633,407                             |
| <b>Cash and cash equivalents at 31 March 2023</b>              |       | <b>639,295</b>                      | <b>633,407</b>                      |

### Analysis of Net Debt

|                          | At 1 April<br>2023<br>£ | Cash flows<br>£ | At 31 March<br>2024<br>£ |
|--------------------------|-------------------------|-----------------|--------------------------|
| Cash at bank and in hand | 633,407                 | 5,888           | 639,295                  |

# The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

## Notes to the Financial Statements

### Year Ended 31 March 2024

#### 1 Summary of significant accounting policies

##### (a) General information and basis of preparation

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited is a company limited by guarantee not having a share capital, a registered charity and a private registered provider of social housing in the United Kingdom. The address of the registered office is given in the information on page 1 of these financial statements. The nature of the Society's operations and principal activities are the provision of supported sheltered accommodation for the elderly.

The Society constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS 102), the Statement of Recommended Practice (SORP) for Social Housing Providers 2018, and with the Accounting Direction for private registered providers of social housing in England 2019. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the Society.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

##### (b) Going concern

As at the year end, the company had net current assets of £627,020 and generated a surplus of £63,704 before other comprehensive gains/losses. The members of the board have taken steps to manage the cash flow during the year in review and continue to monitor budgets for the next 12 months accordingly. Having due regard to these matters and after making appropriate enquiries, the board members have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore, the board members continue to adopt the going concern basis in preparing these Financial Statements.

##### (c) Tangible fixed assets

Tangible fixed assets (including social housing properties) are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, developments costs, interest charges on loans during the development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or results in a significant extension of the useful economic life of the property.

## The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

### Notes to the Financial Statements (continued)

#### Year Ended 31 March 2024

##### (c) Tangible fixed assets (continued)

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

|                                                       |                  |
|-------------------------------------------------------|------------------|
| Housing properties                                    | Over 50 years    |
| Improvements and refurbishments to housing properties | Over 20 years    |
| Fixture, fittings and equipment                       | Over 10-15 years |

Housing properties under construction are not depreciated until they are in use.

Major components of housing properties, such as lifts, heating and warden alarm systems, have been accounted for and depreciated separately from the connected housing property, over their expected useful economic lives and are included in fixtures, fittings and equipment.

The useful economic lives of all tangible fixed assets are reviewed annually.

##### (d) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in other administrative expenses.

##### (e) Impairment

The Society's housing properties are assessed for indicators of impairment at each balance sheet date. If such indication exists, the recoverable amount is estimated and compared to the carrying amount. Where the carrying amount exceeds the recoverable amount, an impairment loss is recognised in expenditure through the statement of comprehensive income.

##### (f) Tax

The Society has charitable status and is not in general subject to Corporation Tax.

The Society is not registered for VAT.

##### (g) Turnover and other income

Turnover is measured at the fair value of the consideration received or receivable net of trade discounts. It represents rental and service charges income receivable in the year, net of rent and service charge losses from voids.

##### *Interest receivable*

Interest income is recognised using the effective interest method.

## **The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited**

### **Notes to the Financial Statements (continued)**

#### **Year Ended 31 March 2024**

##### **(g) Turnover and other income (continued)**

###### *Revenue grants*

Revenue grants receivable that are not subject to performance-related conditions are included within income from legacies and donations.

##### **(h) Employee benefits**

###### *Pension costs*

The Society operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed as they become payable.

###### *Holiday pay accrual*

A liability is recognised for the salary cost of any unused holiday pay entitlement which has accrued at the balance sheet date and has been carried forward to future periods.

##### **(i) Restricted and endowment reserves**

Restricted and endowment reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Restricted reserves include funds raised in response to a specific appeal. Endowment funds represent those assets which must be held permanently, principally insert detail. Revenue and expenditure cannot be directly set against restricted and endowment reserves but is taken through the statement of comprehensive income and then a transfer to restricted and endowment reserves is made as appropriate.

##### **(j) Judgements and key sources of estimation uncertainty**

In preparing these financial statements the key judgement that has been made is in respect of whether there are indicators of impairment of the Society's housing properties.

The key source of estimation uncertainty lies in the assessment of the useful lives of the Society's housing properties and other tangible fixed assets, which determines the charge for depreciation made in the Comprehensive Income and Expenditure Statement.

In common with other similar entities the Society has at times been unable to fill vacancies due to the restrictions on access caused by the coronavirus pandemic. The Directors are confident that the Society's financial position is adequately protected by its reserves.

# The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

## Notes to the Financial Statements (continued)

### Year Ended 31 March 2024

#### 2 Turnover, operating costs and operating surplus

##### Year ended 31 March 2024

|                                  | Turnover<br>£  | Operating<br>Costs<br>£ | Operating<br>surplus<br>£ |
|----------------------------------|----------------|-------------------------|---------------------------|
| Social housing lettings (note 3) | 676,099        | (627,934)               | 48,165                    |
| Legacies and donations           | 795            | -                       | 795                       |
| <b>Total</b>                     | <b>676,894</b> | <b>(627,934)</b>        | <b>48,960</b>             |

##### Year ended 31 March 2023

|                                  | Turnover<br>£  | Operating<br>Costs<br>£ | Operating<br>surplus<br>£ |
|----------------------------------|----------------|-------------------------|---------------------------|
| Social housing lettings (note 3) | 693,130        | (591,914)               | 101,216                   |
| Legacies and donations           | 16,310         | -                       | 16,310                    |
| <b>Total</b>                     | <b>709,440</b> | <b>(591,914)</b>        | <b>117,526</b>            |

#### 3 Particulars of turnover and operating costs from social housing

|                                                     | Year ended<br>31 March<br>2024<br>£ | Year ended<br>31 March<br>2023<br>£ |
|-----------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Turnover</b>                                     |                                     |                                     |
| Rent receivable net of void losses                  | 671,652                             | 688,683                             |
| Capital grants released to income                   | 4,447                               | 4,447                               |
| <b>Turnover from social housing lettings</b>        | <b>676,099</b>                      | <b>693,130</b>                      |
| <b>Operating costs</b>                              |                                     |                                     |
| Management and administration                       | 118,598                             | 96,106                              |
| Service costs                                       | 386,221                             | 390,461                             |
| Routine repairs and maintenance                     | 50,384                              | 41,134                              |
| Major repairs expenditure                           | 6,922                               | 7,147                               |
| Depreciation of housing properties                  | 37,039                              | 35,314                              |
| Other costs                                         | 28,770                              | 21,752                              |
| <b>Operating costs on social housing lettings</b>   | <b>627,934</b>                      | <b>591,914</b>                      |
| <b>Operating surplus on social housing lettings</b> | <b>48,165</b>                       | <b>101,216</b>                      |
| <b>Void losses</b>                                  | <b>62,374</b>                       | <b>44,973</b>                       |

# The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

## Notes to the Financial Statements (continued)

### Year Ended 31 March 2024

#### 4 Accommodation owned and in management

|                                   | Number of<br>units at<br>31 March<br>2024 | Number of<br>units at<br>31 March<br>2023 |
|-----------------------------------|-------------------------------------------|-------------------------------------------|
| Completed units:                  |                                           |                                           |
| Supported housing for the elderly | 34                                        | 34                                        |

#### 5 Interest and other finance income and charges

|                          | Year ended<br>31 March<br>2024<br>£ | Year ended<br>31 March<br>2023<br>£ |
|--------------------------|-------------------------------------|-------------------------------------|
| Bank interest receivable | 8,350                               | 3,380                               |

#### 6 Surplus on ordinary activities

Surplus on ordinary activities is stated after charging:

|                                             | Year ended<br>31 March<br>2024<br>£ | Year ended<br>31 March<br>2023<br>£ |
|---------------------------------------------|-------------------------------------|-------------------------------------|
| Auditors' remuneration                      | 11,859                              | 12,850                              |
| Depreciation of housing properties          | 37,039                              | 35,314                              |
| Depreciation of other tangible fixed assets | 28,770                              | 21,752                              |

#### 7 Staff costs

The average monthly number of employees, calculated on a full time equivalent basis, during the year was 10.9 (2023: 10). The aggregate remuneration of such employees was as follows:

|                            | Year ended<br>31 March<br>2024<br>£ | Year ended<br>31 March<br>2023<br>£ |
|----------------------------|-------------------------------------|-------------------------------------|
| Wages and salaries         | 299,452                             | 284,555                             |
| Social security            | 9,024                               | 12,356                              |
| Pension fund contributions | 5,018                               | 5,921                               |
|                            | 313,494                             | 302,832                             |

**The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited**

**Notes to the Financial Statements (continued)**

**Year Ended 31 March 2024**

**7 Staff costs (continued)**

No employees received more than £60,000 as their employee package.

**8 Related party disclosures**

During the year, three trustees, who are also directors, received reimbursement of £1,453 in respect of goods, services and consumables purchased on behalf of the company (2023: three trustees received reimbursement of £1,619).

One further related parties made supplies to the Society totalling £3,598 (2023: £5,094).

**9 Pensions and other post-retirement benefits**

The Society operates a defined contribution pension plan for its employees. The amount recognised as an expense in the year is disclosed at note 7 above.

**10 Tax**

The Society has charitable status and is not in general subject to Corporation Tax.

**11 Value for Money metrics**

The Regulator of Social Housing requires registered providers to articulate and deliver a comprehensive and strategic approach to achieving value for money in meeting their organisation's objectives. As part of that process, providers are required to publish evidence which enables stakeholders to understand their performance. This evidence includes certain metrics set out below. Other metrics required by the Regulator are not applicable to the Society which has not developed housing for some time and is debt free.

|                                                             | Year ended<br>31 March<br>2024<br>£ | Year ended<br>31 March<br>2023<br>£ |
|-------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Reinvestment in housing stock by reference to cost of stock | 3.0%                                | 1.9%                                |
| Social housing cost per unit                                | 17,437                              | 16,539                              |
| Operating margin by reference to turnover                   |                                     |                                     |
| - Social housing only                                       | 7.7%                                | 14.6%                               |
| - All activities                                            | 7.8%                                | 16.6%                               |

# The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

## Notes to the Financial Statements (continued)

### Year Ended 31 March 2024

#### 12 Tangible fixed assets: housing properties

|                         | £                |
|-------------------------|------------------|
| <b>Cost:</b>            |                  |
| At 1 April 2023         | 1,842,938        |
| Additions               | 50,800           |
| <b>At 31 March 2024</b> | <b>1,893,738</b> |
| <b>Depreciation:</b>    |                  |
| At 1 April 2023         | 973,888          |
| Charge for the year     | 37,039           |
| <b>At 31 March 2024</b> | <b>1,010,927</b> |
| <b>Net book value:</b>  |                  |
| <b>At 31 March 2024</b> | <b>882,811</b>   |
| At 1 April 2023         | 869,050          |

All housing properties are held freehold.

#### 13 Tangible fixed assets: fixtures, fittings and equipment

|                         | £              |
|-------------------------|----------------|
| <b>Cost:</b>            |                |
| At 1 April 2023         | 281,119        |
| Additions               | 65,230         |
| <b>At 31 March 2024</b> | <b>346,349</b> |
| <b>Depreciation:</b>    |                |
| At 1 April 2023         | 157,567        |
| Charge for the year     | 28,770         |
| <b>At 31 March 2024</b> | <b>186,337</b> |
| <b>Net book value:</b>  |                |
| <b>At 31 March 2024</b> | <b>160,012</b> |
| At 1 April 2023         | 123,552        |

#### 14 Capital commitments

No capital expenditure had been authorised by the board or contracted for at 31 March 2024 (2023: £nil).

# The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

## Notes to the Financial Statements (continued)

### Year Ended 31 March 2024

#### 15 Debtors

|                                 | 2024<br>£   | 2023<br>£    |
|---------------------------------|-------------|--------------|
| Trade debtors                   | -           | 198          |
| Prepayments and accrued income  | 5,448       | 6,753        |
| Rent and service charge arrears | -           | 4,188        |
| Other debtors                   | 152         | 150          |
|                                 | <hr/> 5,600 | <hr/> 11,289 |

#### 16 Creditors: amounts falling due within one year

|                                   | 2024<br>£    | 2023<br>£    |
|-----------------------------------|--------------|--------------|
| Trade creditors                   | 13,110       | 16,182       |
| Rents paid in advance             | -            | -            |
| Tax and social security           | 5,146        | 4,885        |
| Deferred capital grants (note 18) | 4,416        | 4,416        |
| Other creditors                   | 1,597        | 1,230        |
|                                   | <hr/> 24,269 | <hr/> 26,713 |

#### 17 Creditors: amounts falling due after more than one year

|                                   | 2024<br>£     | 2023<br>£     |
|-----------------------------------|---------------|---------------|
| Deferred capital grants (note 18) | 141,230       | 145,677       |
|                                   | <hr/> 141,230 | <hr/> 145,677 |

#### 18 Deferred capital grants

|                                    | 2024<br>£     | 2023<br>£     |
|------------------------------------|---------------|---------------|
| At 1 April 2023                    | 150,093       | 154,572       |
| Released to income during the year | (4,416)       | (4,479)       |
| <b>At 31 March 2024</b>            | <hr/> 145,677 | <hr/> 150,093 |

# The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

## Notes to the Financial Statements (continued)

### Year Ended 31 March 2024

#### 18 Deferred capital grants (continued)

|                                                          | 2024<br>£      | 2023<br>£      |
|----------------------------------------------------------|----------------|----------------|
| Included in amounts falling due within one year          | 4,416          | 4,416          |
| Included in amounts falling due after more than one year | 141,230        | 145,677        |
| <b>At 31 March 2024</b>                                  | <b>145,646</b> | <b>150,093</b> |

Deferred capital grants represent the unamortised portions of historic capital grants (Social Housing Grants) given for the acquisition of land and development of buildings completed in prior years. In accordance with FRS 102 these are disclosed within creditors.

#### 19 Reserves

Income and expenditure reserve

The income and expenditure reserve represents cumulative surplus and deficits net of other adjustments.

|                         | 2024<br>£        | 2023<br>£        |
|-------------------------|------------------|------------------|
| At 1 April 2023         | 1,464,909        | 1,344,003        |
| Surplus for the year    | 57,310           | 120,906          |
| <b>At 31 March 2024</b> | <b>1,522,219</b> | <b>1,464,909</b> |

#### 20 Company limited by guarantee

The Society is a company limited by guarantee, not having a share capital.

There are seven members (2023: seven), each of whom has agreed to contribute to the assets of the company such a sum as may be required on winding up but not exceeding £1 per member.

# The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

## Detailed Income and Expenditure Account

### Year Ended 31 March 2024

|                                                             | Year ended<br>31 March<br>2024<br>£ | Year ended<br>31 March<br>2023<br>£ |
|-------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>INCOME</b>                                               |                                     |                                     |
| Residential Charges Receivable                              | 734,026                             | 733,656                             |
| Losses arising from Vacancies & Absences                    | (62,374)                            | (44,973)                            |
| Capital grants released to income                           | 4,447                               | 4,447                               |
| <b>Turnover from Social Housing Lettings</b>                | 676,099                             | 693,130                             |
| Donations and Fund Raising                                  | 795                                 | 16,310                              |
| Bank Deposit Interest                                       | 8,350                               | 3,380                               |
| <b>TOTAL INCOME</b>                                         | 685,244                             | 712,820                             |
| <b>EXPENDITURE</b>                                          |                                     |                                     |
| <b>Management &amp; Administration</b>                      |                                     |                                     |
| Insurance                                                   | 9,256                               | 8,155                               |
| Membership - The Abbeyfield Society<br>and other regulators | 8,589                               | 10,736                              |
| Subscriptions and marketing                                 | 696                                 | 704                                 |
| Auditors Remuneration                                       | 11,859                              | 12,850                              |
| Legal and Professional Fees                                 | 2,960                               | 2,651                               |
| Bank Charges                                                | 669                                 | 644                                 |
| Administration salary costs                                 | 80,499                              | 58,070                              |
| Administrative Expenses                                     | 4,070                               | 2,296                               |
|                                                             | 118,598                             | 96,106                              |
| <b>Service Costs</b>                                        |                                     |                                     |
| Employee Costs                                              | 232,995                             | 244,762                             |
| Staff Training and Advertising                              | 733                                 | 521                                 |
| Travel and Subsistence                                      | 1,834                               | 1,623                               |
| Food                                                        | 49,342                              | 44,024                              |
| Heating and Lighting                                        | 55,622                              | 47,393                              |
| Garden and Other Household costs                            | 12,065                              | 15,565                              |
| Water rates                                                 | 3,301                               | 5,829                               |
| Council Tax                                                 | 7,836                               | 7,464                               |
| Alarm System                                                | 2,489                               | 4,614                               |
| Printing, Stationery and Postage                            | 970                                 | 784                                 |
| Telephone                                                   | 7,557                               | 5,695                               |
| Gifts and Donations                                         | (325)                               | -                                   |
| Computer expenses                                           | 199                                 | -                                   |
| Social Activities                                           | 3,812                               | 1,568                               |
| Miscellaneous                                               | 1,086                               | 1,866                               |
| Window cleaning                                             | 1,874                               | 1,623                               |
| Equipment replacement                                       | 4,831                               | 7,130                               |
|                                                             | 386,221                             | 390,461                             |
| <b>Routine Repairs &amp; Maintenance</b>                    | 50,384                              | 41,134                              |
| <b>Major Repairs Expenditure</b>                            | 6,922                               | 7,147                               |
| <b>Depreciation of housing properties</b>                   | 37,039                              | 35,314                              |
| <b>Other depreciation</b>                                   | 28,770                              | 21,752                              |
| <b>TOTAL EXPENDITURE</b>                                    | 627,934                             | 591,914                             |
| <b>TOTAL SURPLUS FOR THE YEAR</b>                           | <b>57,310</b>                       | <b>120,906</b>                      |

This page does not form part of the audited financial statements