

Charity Registration No. 267984

Company Registration No. 01051354 (England and Wales)

Homes and Communities Agency No. H0062

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Directors	Mr D M Cager (Chairman) Mr A R Jesseman Mr Y P Maudgil (Treasurer) Mr H J McBrien Mr C J I Chugg
Secretary	Mr A R Jesseman
Charity number	267984
Company number	01051354
Homes and communities agency number	H0062
Principal address	Winton House 51/53 Dedworth Road WINDSOR SL4 5AZ
Registered office	Winton House 51/53 Dedworth Road WINDSOR SL4 5AZ
Auditor	Craufurd Hale Audit Services Limited Ground Floor, Belmont Place Belmont Road MAIDENHEAD SL6 6TB
Bankers	Lloyds Bank Plc 45 High Street MAIDENHEAD SL6 1JS
Investment advisors	Charles Stanley & Co. Limited 55 Bishopsgate LONDON EC2N 3AS

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED

(A COMPANY LIMITED BY GUARANTEE)

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THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MAY 2021

The Directors present their report and financial statements for the year ended 31 May 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Society's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The Society's objects are to provide accommodation, care and companionship for the lonely or frail elderly people in accordance with the aims and principles of The Abbeyfield Society Limited. There has been no change in these during the year.

The Directors have paid due regard to guidance issued by the Charity Commission in deciding what activities the Society should undertake.

Apart from the Trustees, the Charity does not rely on volunteers to help run its activities.

The charity does not carry out significant fundraising activities.

Strategic report

The information provided under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Directors to present a strategic report.

Achievements and performance

The board meets bi-monthly to review the society's financial position and review Key Performance Indicators. The figures for this year and last are:

	2021	2020
	%	%
Operating (deficit) as a percentage of income	(24)	(10)
Overall occupancy rate	64	76
Lost income through voids as a percentage of income	36	24
Total staff costs as a percentage of income	94	81
Food costs as a percentage of income	5	6

Risk of Coronavirus (Covid-19) transmission in homes presented a unique challenge to the Society. A strategy for infection prevention and control of Covid-19 was implemented by the senior care management team through new protocols and procedures to counter potential spread of the disease.

New marketing strategies were devised and implemented to improve the occupancy rate and reduce the voids. The Directors are satisfied with the actions taken in order to return the Society to an operational surplus.

The Society's investment portfolio is managed by Charles Stanley & Co. Limited on a discretionary basis. The Society seeks to produce the best financial return within an acceptable level of risk and therefore adopts the Charity Commission's guidance for a "total return" approach in order to give flexibility.

The broad policy set by Directors is to achieve long-term growth with an aim to maintain the real value of the portfolio and having readily realisable investments to cover contingency needs.

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 MAY 2021

Financial review

It is the policy of the Society that unrestricted funds which have not been designated for a specific use should be maintained at a sufficient level. Sufficient reserves have been maintained throughout the year.

The current level of reserves is considered appropriate to meet the Society's needs for the foreseeable future. Details of the designated reserves and any movements therein are shown in the notes to the financial statements.

The Board has taken a strategic decision to continue to grow the Society's reserves for the purpose of supporting any future capital projects or expenditure.

The Directors have considered the need for designated reserves and at the year end are satisfied with the level of £570,000 split between a capital renewal fund £320,000 and an operational contingency fund of £250,000.

Where donations or legacies are received for specified purposes, the funds are held as restricted reserves.

Policies and internal control

The Directors have overall responsibility for establishing and maintaining the whole system of internal controls and for reviewing their effectiveness annually.

The Directors recognise that no system of internal control can provide absolute assurance or eliminate all risk. The system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives and expected outcomes will be achieved. It also exists to give the reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Society's assets and interests.

In meeting their responsibilities, the Directors have adopted a risk-based approach to internal control which is embedded within the whole management and governance process. This approach includes the regular evaluation of the nature and extent of risks to which the company is, or could be, exposed.

As expectations and living standards generally in the community rise, so do those of residents, who are enjoying greater life expectancy than previously and in some cases can suffer increasing susceptibility to dementia, calling for higher standards of care; furthermore, the requirements of the regulatory authorities are becoming more demanding. With the support of our staff at all levels we are meeting these additional pressures successfully. As a vacancy arises the room, once vacated, is redecorated. The standard of decoration is monitored very closely.

Structure, governance and management

The Society is a private company limited by guarantee incorporated in England and Wales (company number 01051354) having no share capital and with charitable objectives. It is a registered charity (number 267984) and is registered with the Homes and Communities Agency as a Registered Provider (number H0062). The Society is governed by its memorandum and articles of association.

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 MAY 2021

The Directors who served during the year and up to the date of signature of the financial statements were:

Mr D Cager
Mr A Jesseman
Mr Y Maudgil
Mr H J McBrien
Mr C J I Chugg

Directors are appointed by the Board in the event of a casual vacancy and then confirmed by the Members at an Annual General Meeting. Directors are volunteers who are or have been in business locally and whose experience can assist in the running of the Society.

None of the Directors has any beneficial interest in the company. All of the Directors are members of the company and guarantee to contribute £1 in the event of a winding up.

The Society's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The Society's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the Society's contractual and other legal obligations.

The Society is organised under the control of its Directors, with day-to-day operations of the homes managed by registered managers supported by the general manager and the houses director. Overall control of finances is managed by the treasurer.

The Board meets six times a year.

The Society complies with the Governance and Financial Viability Standard Code of Practice.

The remuneration of key management personnel (House Managers and above) is set by the Directors annually. Pay rates are based on the prevailing market rate.

Auditor

In accordance with the company's articles, a resolution proposing that Craufurd Hale Audit Services Limited be reappointed as auditor of the company will be put at a General Meeting.

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 MAY 2021

Risk management

The major risks to which the Society is exposed, as identified by the Directors, have been reviewed and systems have been established to mitigate those risks.

The Directors consider that the following are the key risks and uncertainties facing the Society:

- Covid-19 infection entering homes leading to its potential transmission among residents and care staff.
- Poor operational or care performance resulting in Care Quality Commission enforcement action, leading to damage to the Society's reputation and finances.
- Increasing age at which new residents seek Care Home services, leading to higher cost of care.
- High staff turnover and the Society's ability to recruit staff with sufficient knowledge, skills, expertise and experience to provide good care which could lead to higher use of agency staff and inconsistent care standards.
- Failure to meet the current regulatory requirements of the Care Quality Commission and the Charity Commission or to identify and comply with any changes in legislation.

Value for money

As part of the ongoing strategy to ensure value for money, the Directors have taken a number of actions to deliver their plans and to meet the required standard, embedding a 'value for money' culture throughout the Society. Getting best value from the resources is essential to ensure that the Society can continue to deliver quality care and invest in the accommodation offered to the residents where necessary to maintain the quality.

Key actions have been:

- to have regular meetings with residents and by supervision from the Chairmen of the House Committees;
- to manage staff resources to ensure a consistent approach;
- to provide ongoing training to all staff to effect the delivery of the care service efficiently and at a high level;
- to set budgets and monitor actual results against those budgets regularly; and
- to engage with staff with appraisals and setting goals.

The Directors are committed to ensuring the value for money is considered in decision-making at all levels in order to meet and exceed the standard. This is reinforced through the Society's culture which strives, ultimately, to add value to Society through the provision of quality care to all the residents.

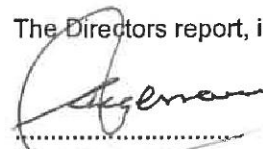
Disclosure of information to auditor

Each of the Directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Compliance with accounting standards

In the Directors opinion the financial statements are compliant with the Statement of Recommended Practice for Social Housing Providers 2018 (SORP 2018) and the Statement of Recommended Practice: 'Accounting and Reporting for Charities' (FRS 102).

The Directors report, including the strategic report, was approved by the Board of Directors.



Mr A Jesseman

Dated: 08/11/2021

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF DIRECTORS RESPONSIBILITIES
FOR THE YEAR ENDED 31 MAY 2021

The directors, who also act as trustees for the charitable activities of The Abbeyfield (Maidenhead) Society Limited, are responsible for preparing the Directors Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT**

TO THE DIRECTORS OF THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED

Opinion

We have audited the financial statements of The Abbeyfield (Maidenhead) Society Limited (the 'Society') for the year ended 31 May 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice), 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) (as amended for accounting periods commencing from 1 January 2016). Reference has also been made to the Accounting Direction for Private Registered Providers of Social Housing 2019.

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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 Directors 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 (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE DIRECTORS OF THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Directors report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal controls as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including non-compliance with laws and regulations, was as follows:

- the engagement director ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with management, and from our commercial knowledge and experience;
- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Care Quality Commission;
- we assessed the extent of compliance with laws and regulations through making enquiries of management and inspecting legal fee expenditure; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

**THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE DIRECTORS OF THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statements disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of management and inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE DIRECTORS OF THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Christopher Rayner FCA (Senior Statutory Auditor)
for and on behalf of Craufurd Hale Audit Services Limited**

9 November 2021

**Chartered Accountants
Statutory Auditor**

Ground Floor, Belmont Place
Belmont Road
MAIDENHEAD
SL6 6TB

Craufurd Hale Audit Services Limited is eligible for appointment as auditor of the Society by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MAY 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
<u>Income and endowments from:</u>					
Donations and legacies		3,451	-	3,451	5,210
Charitable activities	3	2,056,669	-	2,056,669	2,337,283
Other trading activities	4	-	-	-	2,422
Investments	5	36,474	-	36,474	48,986
Social housing grant amortisation		35,653	-	35,653	35,653
Coronavirus job retention scheme and infection control grants		233,725	-	233,725	84,747
Total income		2,365,972	-	2,365,972	2,514,301
<u>Expenditure on:</u>					
Charitable activities	6	2,939,828	1,400	2,941,228	2,737,439
Net gains/(losses) on investments	10	395,010	-	395,010	381,640
Net movement in funds		(178,846)	(1,400)	(180,246)	158,502
Fund balances at 1 June 2020		9,823,982	69,635	9,893,617	9,735,114
Fund balances at 31 May 2021		9,645,136	68,235	9,713,371	9,893,616

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The Statement of Financial Activities was approved by the Directors on 08/11/2021

Mr D Cager
Director

Mr A Jesseman
Director

Mr Y Maudgil
Director

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 MAY 2021

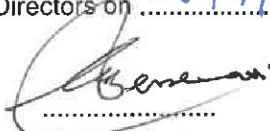
	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12	5,926,961		6,113,119	
Investments	13	3,726,151		3,317,358	
		<u>9,653,112</u>		<u>9,430,477</u>	
Current assets					
Debtors	15	159,850		147,402	
Cash at bank and in hand		1,093,864		1,564,460	
		<u>1,253,714</u>		<u>1,711,862</u>	
Creditors: amounts falling due within one year	16	(190,800)		(210,415)	
Net current assets		<u>1,062,914</u>		<u>1,501,447</u>	
Total assets less current liabilities		<u>10,716,026</u>		<u>10,931,924</u>	
Creditors: amounts falling due after more than one year	17	(1,002,655)		(1,038,308)	
Net assets		<u><u>9,713,371</u></u>		<u><u>9,893,616</u></u>	
Income funds					
<u>Restricted funds</u>					
Specific donations and legacies		27,635		27,635	
Occupational therapy unit		40,600		42,000	
	19	<u>68,235</u>		<u>69,635</u>	
<u>Unrestricted funds</u>					
Designated funds:					
Capital renewal fund		320,000		320,000	
Contingency fund		250,000		250,000	
	20	<u>570,000</u>		<u>570,000</u>	
General unrestricted funds		7,784,034		8,346,598	
Revaluation reserve		1,291,102		907,383	
		<u>9,645,136</u>		<u>9,823,981</u>	
		<u><u>9,713,371</u></u>		<u><u>9,893,616</u></u>	

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET (CONTINUED)
AS AT 31 MAY 2021

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Directors on 08/11/2021


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Mr D Cager
Director


.....
Mr A Jesseman
Director


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Mr Y Maudgil
Director

Company Registration No. 01051354

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MAY 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash absorbed by operations	26		(452,118)		(56,803)
Investing activities					
Purchase of tangible fixed assets		(41,170)		(31,655)	
Accumulation dividends and other adjustments		-		283	
Purchase of investments		(436,143)		(450,505)	
Proceeds on disposal of investments		251,753		563,396	
Dividends and interest received		36,474		48,986	
Net cash (used in)/generated from investing activities			(189,086)		130,505
Net (decrease)/increase in cash and cash equivalents			(641,204)		73,702
Cash and cash equivalents at beginning of year			1,792,516		1,718,814
Cash and cash equivalents at end of year			1,151,312		1,792,516
Relating to:					
Cash at bank and in hand			1,093,864		1,564,460
Short term deposits included in investments			57,448		228,056

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

Charity information

The Abbeyfield (Maidenhead) Society Limited is a private company limited by guarantee, having no share capital and with solely charitable activities. Incorporated in England and Wales. The registered office is Winton House, 51/53 Dedworth Road, WINDSOR, SL4 5AZ.

The Society is registered as a charity for tax purposes (No. 267984) and is a Registered Social Landlord with the Homes and Communities Agency (No. H0062).

1.1 Accounting convention

The financial statements have been prepared in accordance with the Society's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016) and the Accounting Direction for Private Registered Providers of Social Housing 2019. The Society is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Society. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Directors have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. Thus the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Directors in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Society is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Monetary donations are recognised on receipt. Other donations are recognised once the Society has been notified of the donation, unless performance conditions require deferral of the amount. Donations for specified purposes which are separately identified in the Statement of Financial Activities are then transferred as movements in restricted reserves.

Legacies are recognised on receipt or otherwise if the Society has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income includes rent and service charges receivable, net of losses from voids, together with income grants from local authorities and other agencies.

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

(Continued)

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business.

1.5 Expenditure

Central support and governance costs that do not relate directly to a single activity are wholly-apportioned to the sole activity undertaken, that of providing accommodation, care and companionship for lonely or elderly people.

The company is not VAT registered and irrecoverable input VAT is charged against the expenditure to which it relates.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line
Leasehold land and buildings	2% straight line
Fixtures and fittings	7% - 15% straight line
Motor vehicles	10% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Housing land and buildings are stated at cost less accumulated depreciation as tangible assets rather than fixed asset investments. The cost of properties is their purchase price or construction cost, which includes the incidental costs of acquisition. Assets in the course of construction are not depreciated until they are brought into use, at which point they are transferred to freehold or leasehold property as appropriate.

Surpluses or deficits on the sale of housing land and buildings are accounted for in the Statement of Financial Activities as the difference between the net sale proceeds and the carrying value.

Housing properties are depreciated at 2% per annum. Although major components of the costs of the costs of buildings, such as kitchens and heating equipment, would be depreciated at higher rates, the Directors considered it impractical to identify those amounts incurred in earlier years. Leasehold property is being written off at 2% per annum rather than over the length of the lease.

Other tangible assets are stated at cost less accumulated depreciation. Minor equipment costing less than £500 and renewals of equipment under £1,000 are written off to the Statement of Financial Activities.

Tangible fixed assets received by way of donation are reflected in the financial statements at their estimated valuation at the date of receipt. An amount corresponding to the net book value is carried forward within restricted reserves.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and if the shares are traded publicly or if their fair value can be measured reliably, are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in the Statement of Financial Activities. Transaction costs are expensed as incurred.

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the Society reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand and balances held with banks.

1.10 Financial instruments

The Society has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Society's balance sheet when the Society becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs.

Basic financial liabilities

Basic financial liabilities, including creditors are recognised at transaction price including transaction costs.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities.

1.11 Taxation

The Society has charitable status and is exempt from corporation tax on its income. It has no trading activities.

The Society is not registered for VAT. Accordingly, no VAT is charged to residents, and expenditure includes the relevant VAT.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Society is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

(Continued)

1.13 Social Housing Grants

In line with FRS 102 and the Housing SORP 2018 (Statement of Recommended Practice for Social Housing Providers), Social Housing Grants received as a capital contribution are shown separately as a creditor falling due after more than one year, unless the grant relates to a disposal of property and becomes recycled or repayable, in which case it is apportioned to creditors due in under one year.

The accruals method is applied as the company holds all social housing properties at their historic cost. Grants are made by the Homes and Communities Agency (formerly the Tenant Services Authority) and are used to reduce the amount of mortgage loan in respect of an approved scheme to the amount which it is estimated can be serviced by the net annual income of the scheme. The amount is calculated in accordance with instructions issued from time to time by the Homes and Communities Agency. The grants are paid direct to the lending institution and are reflected in the financial statements of the Society only when the payment has been made and the relevant mortgage loan reduced. In certain circumstances grants can become repayable or are recyclable.

2 Critical accounting estimates and judgements

In the application of the Society's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no estimates or assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

3 Charitable activities

	Accommodation	Accommodation
	2021	2020
	£	£
Rent receivable and service charge income gross of voids	3,215,212	3,073,380
Void losses (being rental income lost as a result of rooms not being let, although available for letting)	(1,158,543)	(736,097)
	<u>2,056,669</u>	<u>2,337,283</u>
	<u>66</u>	<u>66</u>
Average number of bed spaces under management	66	66

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2021

4 Other trading activities

	Total	Unrestricted funds
	2021	2020
	£	£
Day care and visitor's fees	-	2,422
	<u> </u>	<u> </u>

5 Investments

	Unrestricted funds	Total
	2021	2020
	£	£
Income from investments	35,826	40,929
Interest receivable	648	8,057
	<u> </u>	<u> </u>
	<u>36,474</u>	<u>48,986</u>

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
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FOR THE YEAR ENDED 31 MAY 2021

6 Charitable activities

	2021	2020
	£	£
Accommodation, care and companionship for the elderly		
Staff costs	1,927,242	1,895,899
Depreciation and impairment	227,328	220,989
Insurance	37,550	33,916
Telephone	18,524	18,055
Agency staff	131,637	34,364
Food and provisions	112,939	129,454
Household sundries	46,079	56,910
Cleaning materials	43,885	44,379
Rates, water and waste	40,196	33,835
Heating and lighting	56,857	53,007
Minor equipment	18,710	9,562
Fixtures and fittings	2,964	2,745
CQC Levy	10,044	10,234
Drugs and medical costs	76,186	30,808
Repairs and maintenance	87,161	71,846
Postage and stationery	4,071	4,379
Affiliation fees	18,332	17,987
Legal and professional fees	42,959	32,407
Audit and accountancy fees	9,850	10,670
Payroll fees	3,607	3,423
Other management costs	3,064	1,305
Investment management fees	22,043	21,265
	<u>2,941,228</u>	<u>2,737,439</u>
	<u>2,941,228</u>	<u>2,737,439</u>
Analysis by fund		
Unrestricted funds	2,939,828	2,736,039
Restricted funds	1,400	1,400
	<u>2,941,228</u>	<u>2,737,439</u>

7 Support and governance costs

The Society is considered to undertake a single activity, that of provision of accommodation, care and companionship for the lonely or frail elderly people. Therefore, support and governance costs have been treated as wholly-attributable to this activity.

Governance costs includes expenditure net of VAT to the auditors of £5,900 (2020 - £6,850) for audit fees and £2,308 (2020 - £2,684) for non-audit fees.

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2021

8 Directors

None of the Directors (or any persons connected with them) received any remuneration or benefits during the year, or were reimbursed expenses.

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
General, central company	4	4
Nicholas House - Care, activity, housekeeping, kitchen, maintenance and management	45	45
Winton House - Care, activity, housekeeping, kitchen, maintenance and management	41	42
	<u>90</u>	<u>91</u>

Employment costs

	2021 £	2020 £
Wages and salaries	1,743,617	1,723,334
Social security costs	138,972	129,176
Other pension costs	44,653	43,388
	<u>1,927,242</u>	<u>1,895,899</u>

The number of employees on a full time equivalent basis (based on a 38 hour week) was 71 (2020 - 74).

The number of employees whose annual remuneration was between £60,000 and £70,000 was:

2021 Number	2020 Number
<u>1</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2021

10 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Revaluation of investments	393,961	419,726
Gain/(loss) on sale of investments	1,049	(38,086)
	<u>395,010</u>	<u>381,640</u>

11 Taxation

The society has charitable status and is exempt from corporation tax on its income.

12 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 June 2020	3,483,092	3,975,500	766,424	76,104	8,301,120
Additions	-	-	41,170	-	41,170
At 31 May 2021	<u>3,483,092</u>	<u>3,975,500</u>	<u>807,594</u>	<u>76,104</u>	<u>8,342,290</u>
Depreciation and impairment					
At 1 June 2020	587,171	1,198,981	380,017	21,832	2,188,001
Depreciation charged in the year	69,660	75,800	74,256	7,612	227,328
At 31 May 2021	<u>656,831</u>	<u>1,274,781</u>	<u>454,273</u>	<u>29,444</u>	<u>2,415,329</u>
Carrying amount					
At 31 May 2021	<u>2,826,261</u>	<u>2,700,719</u>	<u>353,321</u>	<u>46,660</u>	<u>5,926,961</u>
At 31 May 2020	<u>2,895,921</u>	<u>2,776,519</u>	<u>386,407</u>	<u>54,272</u>	<u>6,113,119</u>

In the opinion of the directors the market value of land and buildings was:

	2021	2020
	£	£
Freehold and long leasehold properties	<u>10,000,000</u>	<u>10,000,000</u>

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2021

13 Fixed asset investments

	Listed investments £
Valuation	
At 1 June 2020	3,317,358
Additions	436,143
Valuation changes	396,028
Movement in cash balances	(170,608)
Other movements	(2,066)
Disposals	(250,704)
At 31 May 2021	<u>3,726,151</u>
Carrying amount	
At 31 May 2021	<u>3,726,151</u>
At 31 May 2020	<u>3,317,358</u>
Made up of:	
Listed investments	3,668,702
Cash balances	57,449
	<u>3,726,151</u>
Historic cost	
At 1 June 2020	2,409,974
Additions	436,143
Movement in cash balances	(170,608)
Other movements	(2,066)
Disposals	(238,394)
At 31 May 2021	<u>2,435,049</u>

Fixed asset investments revalued

Listed investments are reflected at market value at balance sheet date. Capital and income account balances are included within the total investments.

The net movement in the investments revaluation reserve was £383,718 (2020 - £306,705) in the year.

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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14 Financial instruments	2021	2020
	£	£
Carrying amount of financial assets		
Debt instruments measured at cost	114,461	49,562
Instruments measured at fair value through profit and loss	3,726,151	3,317,358
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at cost	1,165,247	1,221,241
	<u> </u>	<u> </u>
15 Debtors	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	114,401	49,502
Other debtors	60	60
Prepayments and accrued income	45,389	97,840
	<u> </u>	<u> </u>
	159,850	147,402
	<u> </u>	<u> </u>
16 Creditors: amounts falling due within one year	2021	2020
	£	£
Other taxation and social security	28,208	27,482
Trade creditors	34,041	41,809
Other creditors	35,829	51,054
Accruals and deferred income	92,722	90,070
	<u> </u>	<u> </u>
	190,800	210,415
	<u> </u>	<u> </u>

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2021

17 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Other creditors	1,002,655	1,038,308
	<u>1,002,655</u>	<u>1,038,308</u>
Social Housing Grants		
	2021	2020
	£	£
Amounts received	1,856,768	1,856,768
	<u>1,856,768</u>	<u>1,856,768</u>
Amortisation		
At 1 June 2020	818,460	782,807
Released in the year	35,653	35,653
	<u>854,113</u>	<u>818,460</u>
At 31 May 2021	854,113	818,460
	<u>854,113</u>	<u>818,460</u>
Carrying value		
At 31 May 2021	1,002,655	1,038,308
	<u>1,002,655</u>	<u>1,038,308</u>

Creditors : amounts falling due after more than one year represents the unamortised balance of Social Housing Grants received in earlier years.

The Social Housing Grants are amortised at 2% per annum and released as income in the Statement of Financial Activities.

The entire balance of the Social Housing Grants is reflected as creditors: amounts falling due after more than one year. £35,653 is expected to be released to the Statement of Financial Activities in the year ending 31 May 2022. £824,390 is expected to be released to the Statement of Financial Activities in more than five years.

18 Retirement benefit schemes

The Society operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Society in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £44,653 (2020 - £43,388).

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2021

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 June 2019 £	Resources expended £	Balance at 1 June 2020 £	Movement in funds Incoming resources £	Balance at 31 May 2021 £
Specific donations and legacies	30,873	(3,238)	27,635	-	27,635
Occupational therapy unit	43,400	(1,400)	42,000	(1,400)	40,600
	<u>74,273</u>	<u>(4,638)</u>	<u>69,635</u>	<u>(1,400)</u>	<u>68,235</u>

Specific donations and legacies fund represents amounts held in respect of small donations or legacies given for specific purposes.

The occupational therapy unit fund was established by a donation from The Abbeyfield Egham & District Society to fund the construction of an occupational therapy unit. Depreciation on this expenditure is charged against the fund annually.

20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 June 2019 £	Movement in funds Incoming resources £	Balance at 1 June 2020 £	Movement in funds Incoming resources £	Balance at 31 May 2021 £
Capital renewal fund	320,000	-	320,000	-	320,000
Contingency fund	250,000	-	250,000	-	250,000
	<u>570,000</u>	<u>-</u>	<u>570,000</u>	<u>-</u>	<u>570,000</u>

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2021

21 Analysis of net assets between funds

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 May 2021 are represented by:						
Tangible assets	5,886,361	40,600	5,926,961	6,071,119	42,000	6,113,119
Investments	3,726,151	-	3,726,151	3,317,358	-	3,317,358
Current assets/ (liabilities)	1,035,279	27,635	1,062,914	1,473,812	27,635	1,501,447
Long term liabilities	(1,002,655)	-	(1,002,655)	(1,038,308)	-	(1,038,308)
	<u>9,645,136</u>	<u>68,235</u>	<u>9,713,371</u>	<u>9,823,981</u>	<u>69,635</u>	<u>9,893,616</u>

22 Revaluation reserve

Revaluation of investments at market value reserve is represented by:

Balance brought forward 1 June 2019 £600,678 realised on disposal in 2020 (£111,787) unrealised in 2020 £418,492 carried forward 31 May 2020 £907,384.

Balance brought forward 1 June 2020 £907,384 realised on disposal in 2021 (£12,310) unrealised in 2021 £396,027 carried forward 31 May 2021 £1,291,102.

23 Company limited by guarantee

Each member of the Society undertakes to contribute a figure not exceeding £1 to the assets of the Society to meet its debts and liabilities incurred while they were a member, in the event of its being wound up while they are a member or within one year of ceasing to be a member.

The guarantors do not have rights to a distribution in the event of a winding up. Members have equal voting rights.

24 Events after the reporting date

The Care Quality Commission (CQC) issued a notice on 28 September 2021 imposing a condition that the Society must not admit any service user including any respite or emergency admission to Nicholas House without the prior agreement of the CQC.

The Society lodged an appeal against the CQC decision on 25 October 2021 on the basis that the initial detailed representation and accompanying evidence submitted to the CQC in response to the proposal were not properly considered. The CQC has not visited the home for re-inspection since May 2021 and the CQC decision is premature.

The Home has made significant improvements in implementation of its care plan management since its inspection in May 2021 and the Society is reasonably confident of a favourable outcome upon re-inspection of Nicholas House.

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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25 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel including salaries and employers pension contributions is as follows.

	2021 £	2020 £
Aggregate compensation	232,624	229,040

Transactions with related parties

During the year the Society entered into the following transactions with related parties:

The Society uses D M Cager (Insurance Brokers) Ltd, of which company director Mr D M Cager is a director and shareholder, to arrange its business insurances.

26 Cash generated from operations	2021 £	2020 £
(Deficit)/surplus for the year	(180,246)	158,502
Adjustments for:		
Investment income recognised in statement of financial activities	(36,474)	(48,986)
(Gain)/loss on disposal of investments	(1,049)	38,086
Fair value gains and losses on investments	(393,961)	(419,726)
Depreciation and impairment of tangible fixed assets	227,328	220,989
Movements in working capital:		
(Increase) in debtors	(12,448)	(45,531)
(Decrease)/increase in creditors	(55,268)	39,863
Cash absorbed by operations	(452,118)	(56,803)

27 Analysis of changes in net funds

The Society had no debt during the year.