

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Financial Statements

Year Ended 31 March 2022

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 2022

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The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Registered Social Housing Provider Information

Year Ended 31 March 2022

**Members of the board
at 31 March 2022**

Ms KJ Sheldon (Chairman)
Mrs CJ Hopcraft
Mrs J Ridgway
Ms S Eaves (appointed 19 April 2021, resigned
9 November 2022)
Mr A Shailer-Smith (appointed 4 January 2022)
Mr L Hickman (appointed 9 February 2022)
Mr M Burns (appointed 8 April 2021, resigned 23
June 2021)
Mr J Everham (appointed 20 October 2022)
Ms L Hoteit (appointed 7 November 2022)
Mr D Chhabra (appointed 14 August 2021,
resigned 18 August 2022)
Mr C Lawn (appointed 13 January 2021,
resigned 18 July 2022)
Mr I Odegbami (appointed 1 May 2021, resigned
16 July 2022)

Secretary

Mr Lee Hickman

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

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Registered Social Housing Provider Information

Year Ended 31 March 2022

Company registration number 955757 (England & Wales)

Charity registration number 262424

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Board Report (continued)

Year Ended 31 March 2022

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 2022.

Members of the board

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

Mrs CJ Hopcraft (Chairman)

Mrs J Ridgway

Ms KJ Sheldon

Ms S Eaves (appointed 19 April 2021, resigned 9 November 2022)

Mr A Shailer-Smith (appointed 4 January 2022)

Mr L Hickman (appointed 9 February 2022)

Mr M Burns (appointed 8 April 2021, resigned 23 June 2021)

Mr J Everham (appointed 20 October 2022)

Ms L Hoteit (appointed 7 November 2022)

Mr D Chabbra (appointed 14 August 2021, resigned 18 August 2022)

Mr C Lawn (appointed 13 January 2021, resigned 18 July 2022)

Mr I Odegami (appointed 1 May 2021, resigned 16 July 2022)

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.

As was the case for all businesses, the year was dominated by the coronavirus pandemic. The Directors are extremely pleased to be able to report that no resident contracted the virus. We are very grateful to our residents who gave up their day-to-day freedoms, and continue to do so, to ensure the success of our arrangements to keep the houses free of infection. Our staff have protected the residents throughout and we wish to record our appreciation of their hard work and their commitment to keeping the houses safe. Thanks are due also to the residents' sponsors who have supported our arrangements and helped to keep their relatives safe.

Results for the year and reserves policy

The Society reports a surplus of £126,102 for the year under review (2021: £52,645). We have experienced times of reduced income within the houses due to short term voids (5% in 2022, 13% in 2021). which have occurred due to residents moving on. The reopening of the houses after the COVID-19 restrictions have allowed the society to focus on completing the outstanding repairs and maintenance that was placed on hold as a result there has been an increase compared to the previous year.

The Society's reserves stand at £1,344,003 of which £540,761 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

Board Report (continued)

Year Ended 31 March 2022

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.

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Board Report (continued)

Year Ended 31 March 2022

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.

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



Ms Karen Sheldon

Chairman

Date: 15.11.22

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 2022 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 2022, 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.



Alex 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 *2nd December 2022*

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Statement of Comprehensive Income (Including Income and Expenditure Account)

Year Ended 31 March 2022

	Note	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Turnover	2	656,072	583,928
Operating costs	2,3	(530,865)	(533,852)
Operating surplus		<u>125,207</u>	<u>50,076</u>
Interest receivable and similar income	5	895	2,569
Surplus for the year before and after tax		<u>126,102</u>	<u>52,645</u>
Total comprehensive income for the year		<u>126,102</u>	<u>52,645</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 133 to 21 form part of these financial statements

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Statement of Financial Position

Year Ended 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	12,13	972,556	991,911
		<hr/>	<hr/>
		972,556	991,911
Current assets			
Stocks		-	500
Debtors	15	6,916	10,289
Cash at bank and in hand		540,761	400,652
		<hr/>	<hr/>
		547,677	411,441
Creditors: amounts falling due within one year	16	(26,106)	(30,879)
		<hr/>	<hr/>
Net current assets		521,571	380,562
		<hr/>	<hr/>
Total assets less current liabilities		1,494,127	1,372,473
Creditors: amounts falling due after more than one year	17	(150,124)	(154,572)
		<hr/>	<hr/>
Total net assets		1,344,003	1,217,901
		<hr/>	<hr/>
Reserves			
Income and expenditure reserve	19	1,344,003	1,217,901
		<hr/>	<hr/>

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

Signed on behalf of the Board



Ms K Sheldon
Director

14/11/22



Mr A Shailer-Smith
Director

The notes on pages 133 to 211 form part of these accounts.

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Statement of Changes in Reserves

Year Ended 31 March 2022

Income and Expenditure Reserve

	£
At 1 April 2021	1,217,901
Surplus for the year	<u>126,102</u>
At 31 March 2022	<u><u>1,344,003</u></u>

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Statement of Cash Flows

Year Ended 31 March 2022

	Note	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Cash flow from operating activities			
Surplus for the year	2	125,207	50,076
Adjustments for:			
Depreciation of fixed assets: housing properties	12	34,031	34,456
Depreciation of fixed assets: fixtures, fittings and equipment	13	17,936	15,677
Purchase of fixed assets	12/13	(32,611)	-
Amortisation of capital grant	18	(4,447)	(4,416)
Decrease/(Increase) in debtors		3,373	1,487
Increase/(Decrease) in creditors		(4,275)	8,057
Net cash inflow from operating activities		139,214	105,337
Cash flow from investing activities			
Interest received		895	4,181
Net cash inflow/(outflow) from investing activities		895	4,181
Net increase in cash and cash equivalents		140,109	109,518
Cash and cash equivalents at 31 March 2021		400,652	291,134
Cash and cash equivalents at 31 March 2022		540,761	400,652
Cash and cash equivalents consists of:			
Cash at bank and in hand		540,761	400,652
Cash and cash equivalents at 31 March 2022		540,761	400,652

Analysis of Net Debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	400,652	140,109	540,761

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Notes to the Financial Statements

Year Ended 31 March 2022

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 £521,571 and generated a surplus of £126,102 before other comprehensive gains/losses. Like most of the world's businesses it faced significant challenges in operating normally with the onset of the Covid-19 crisis. Turnover available to the company may continue to be threatened if renewed restrictions prevent access to properties for the purpose of viewing vacant accommodation. 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 2022

(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) Stock

Stock is represented by provisions in store, the replacement cost of which is not significantly different from the historical cost at which it is stated in the financial statements.

(e) 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.

(f) 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.

(g) Tax

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

The Society is not registered for VAT.

(h) 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 2022

(h) 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.

(i) 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.

(j) 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.

(k) 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 2022

2 Turnover, operating costs and operating surplus

Year ended 31 March 2022

	Turnover £	Operating Costs £	Operating surplus £
Social housing lettings (note 3)	654,055	(530,865)	123,190
Legacies and donations	2,017	-	2,017
Total	656,072	(530,865)	125,207

Year ended 31 March 2021

	Turnover £	Operating Costs £	Operating surplus £
Social housing lettings (note 3)	578,418	(533,852)	44,566
Legacies and donations	5,510	-	5,510
Total	583,928	(533,852)	50,076

3 Particulars of turnover and operating costs from social housing

	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Turnover		
Rent receivable net of void losses	649,608	574,002
Capital grants released to income	4,447	4,416
Turnover from social housing lettings	654,055	578,418
Operating costs		
Management and administration	56,900	67,652
Service costs	385,696	382,278
Routine repairs and maintenance	30,040	26,608
Major repairs expenditure	6,261	7,181
Depreciation of housing properties	34,031	34,456
Other costs	17,936	15,677
Operating costs on social housing lettings	350,865	533,852
Operating surplus on social housing lettings	123,190	44,566
Void losses	32,577	84,213

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Notes to the Financial Statements (continued)

Year Ended 31 March 2022

4 Accommodation owned and in management

	Number of units at 31 March 2022	Number of units at 31 March 2021
Completed units: Supported housing for the elderly	34	34
	<hr/>	<hr/>

5 Interest and other finance income and charges

	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Bank interest receivable	895	2,569
	<hr/>	<hr/>

6 Surplus on ordinary activities

Surplus on ordinary activities is stated after charging:

	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Auditors' remuneration	9,652	7,020
Depreciation of housing properties	39,939	34,456
Depreciation of other tangible fixed assets	12,029	15,677
	<hr/>	<hr/>

7 Staff costs

The average monthly number of employees, calculated on a full time equivalent basis, during the year was 11.6 (2021:9.7). The aggregate remuneration of such employees was as follows:

	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Wages and salaries	267,207	291,137
Social security	10,969	13,028
Pension fund contributions	5,149	4,921
	<hr/>	<hr/>
	283,325	309,086
	<hr/>	<hr/>

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Notes to the Financial Statements (continued)

Year Ended 31 March 2022

7 Staff costs (continued)

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

8 Related party disclosures

During the year, four trustees, who are also directors, received reimbursement of £2,022 in respect of goods, services and consumables purchased on behalf of the company (2021: four trustees received reimbursement of £3,599).

One further related parties made supplies to the Society totalling £4,892 (2021: £7,875, £2,548 and £63 respectively).

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 31 March 2022 £	Year ended 31 March 2021 £
Reinvestment in housing stock by reference to cost of stock	0.8%	0.4%
Social housing cost per unit	14,310	14,227
Operating margin by reference to turnover		
- Social housing only	18.8%	7.7%
- All activities	19.1%	8.6%

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Notes to the Financial Statements (continued)

Year Ended 31 March 2022

12 Tangible fixed assets: housing properties

	£
Cost:	
At 1 April 2021	1,807,815
Additions	<u>7,657</u>
At 31 March 2022	1,815,472
Depreciation:	
At 1 April 2021	904,545
Charge for the year	<u>34,031</u>
At 31 March 2022	938,573
Net book value:	
At 31 March 2022	<u>876,892</u>
At 1 April 2021	<u>903,270</u>

All housing properties are held freehold.

13 Tangible fixed assets: fixtures, fittings and equipment

	£
Cost:	
At 1 April 2021	206,519
Additions	<u>24,954</u>
At 31 March 2022	231,473
Depreciation:	
At 1 April 2021	117,878
Charge for the year	<u>17,936</u>
At 31 March 2021	135,815
Net book value:	
At 31 March 2022	<u>95,658</u>
At 1 April 2021	<u>88,641</u>

14 Capital commitments

No capital expenditure had been authorised by the board or contracted for at 31 March 2022 (2021: £nil).

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Notes to the Financial Statements (continued)

Year Ended 31 March 2022

15 Debtors

	2022	2021
	£	£
Rent and service charge arrears	-	18
Prepayments and accrued income	6,916	8,019
Other debtors	-	2,252
	<hr/>	<hr/>
	6,916	10,289
	<hr/>	<hr/>

16 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	14,955	14,735
Rents paid in advance	858	1,513
Tax and social security	4,881	7,314
Deferred capital grants (note 18)	4,416	4,416
Other creditors	996	2,901
	<hr/>	<hr/>
	26,106	30,879
	<hr/>	<hr/>

17 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Deferred capital grants (note 18)	150,124	154,572
	<hr/>	<hr/>
	150,124	154,572
	<hr/>	<hr/>

18 Deferred capital grants

	2022	2021
	£	£
At 1 April 2021	158,988	163,404
Released to income during the year	(4,416)	(4,416)
	<hr/>	<hr/>
At 31 March 2022	154,572	158,988
	<hr/>	<hr/>

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Notes to the Financial Statements (continued)

Year Ended 31 March 2022

18 Deferred capital grants (continued)

	2022 £	2021 £
Included in amounts falling due within one year	4,416	4,416
Included in amounts falling due after more than one year	150,124	154,572
At 31 March 2022	<u>154,540</u>	<u>158,988</u>

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.

	2022 £	2021 £
At 1 April 2021	1,217,901	1,165,256
Surplus for the year	126,102	52,645
At 31 March 2022	<u>1,344,003</u>	<u>1,217,901</u>

20 Company limited by guarantee

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

There are seven members (2021: 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 2022

	Year ended 31 March 2022 £	Year ended 31 March 2021 £
INCOME		
Residential Charges Receivable	682,185	658,215
Losses arising from Vacancies & Absences	(32,577)	(84,213)
Capital grants released to income	4,447	4,416
Turnover from Social Housing Lettings	654,055	578,418
Donations and Fund Raising	2,017	5,510
Bank Deposit Interest	895	2,569
TOTAL INCOME	656,967	586,497
EXPENDITURE		
Management & Administration		
Insurance	8,491	7,567
Membership - The Abbeyfield Society and other regulators	11,144	11,003
Subscriptions and marketing	5,895	307
Auditors Remuneration	9,652	7,020
Legal and Professional Fees	2,793	2,248
Loss on disposal of fixed assets	-	-
Bank Charges	506	687
Administration salary costs	16,433	36,856
Administrative Expenses	1,986	1,964
	56,900	67,652
Service Costs		
Employee Costs	266,892	272,230
Staff Training and Advertising	735	3,169
Food	42,379	41,824
Heating and Lighting	31,318	25,717
Garden and Other Household costs	13,240	13,833
Water rates	4,202	3,885
Council Tax	7,186	6,896
Alarm System	2,561	2,309
Printing, Stationery and Postage	647	1,495
Telephone	5,461	4,977
Computer expenses	630	2,784
Social Activities	796	1,067
Miscellaneous	4,073	
Window cleaning	957	
Equipment replacement	4,620	2,092
	385,697	382,278
Routine Repairs & Maintenance	30,040	26,608
Major Repairs Expenditure	6,261	7,181
Depreciation of housing properties	34,031	34,456
Other depreciation	17,936	15,677
TOTAL EXPENDITURE	530,865	533,852
TOTAL SURPLUS FOR THE YEAR	126,102	52,645

This page does not form part of the audited financial statements