

**THE ABBEYFIELD SANDERSTEAD
SOCIETY LIMITED**

**ANNUAL REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST MARCH 2019**

COMPANY REGISTRATION No: 719534

CHARITY REGISTRATION No: 233004

Independent Examiners Ltd
Sovereign Centre
Poplars
Yapton Lane
Walberton
West Sussex
BN18 0AS

**THE ABBEYFIELD SANDERSTEAD SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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**THE ABBEYFIELD SANDERSTEAD SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

LEGAL AND ADMINISTRATIVE INFORMATION

CHARITY REGISTRATION NUMBER	233004
COMPANY REGISTRATION NUMBER	719534
DATE OF INCORPORATION	28th March 1962
START OF FINANCIAL YEAR	1st April 2018
END OF FINANCIAL YEAR	31st March 2019
DIRECTORS AT 31ST MARCH 2019 (EXECUTIVE COMMITTEE)	Mr R J Brimble Mrs M Brown (Chair) Mr B A Dymond Dr E Leonard Mrs L A Talbot C Littlewood (appointed 27 September 2018) Mrs Y H Murdoch (resigned 7 August 2018)
GOVERNING DOCUMENT	Memorandum and Articles of Association Incorporated 28th March 1962.
OBJECTS	To relieve aged, impotent and poor people of all classes, for the advancement of religion and education and for other charitable purposes beneficial to the community.
REGISTERED ADDRESS	2 Beechwood Road Sanderstead South Croydon Surrey CR2 0AA
BANKERS	Barclays Bank plc 1 Churchill Place London E14 5HP
INDEPENDENT EXAMINER	Independent Examiners Ltd Sovereign Centre Poplars Yapton Lane Walberton West Sussex BN18 0AS

**THE ABBEYFIELD SANDERSTEAD SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST MARCH 2019**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Abbeyfield Sanderstead Society Limited is a registered charity (No. 233004) and a registered housing association (No. H0J69). It is a company limited by guarantee (No. 00719534) which does not have a share capital. Every member of the Society undertakes to contribute an amount not exceeding £1 to the assets of the Society in the event of winding up. The total number of such members at 31st March 2019 was 24 (2018 - 26).

The activities of the Society are overseen by the Executive Committee. Members of the Committee are elected at an Annual General Meeting and serve for a period of three years after which they must seek re-election if wishing to continue in office.

RECRUITMENT AND APPOINTMENT OF MEMBERS OF THE EXECUTIVE COMMITTEE

Traditional business and care skills are represented on the Executive Committee. In an effort to maintain this broad skill mix, potential members of the Executive Committee are requested to provide a list of their skills. In the event of particular skills being lost through retirements, individuals with those skills are approached to offer themselves for election to the Executive Committee. Potential Committee members are interviewed by the Executive Committee before being recommended for appointment at an Annual General Meeting.

New Members are given an information pack on the constitution and governance of the Society and are also taken on an induction tour of the homes to meet the managers, staff and residents. New Members have an opportunity to meet with the Executive Officer and to attend the Executive Committee meetings.

RISK MANAGEMENT

The Executive Committee has conducted a review of the major risks to which the Society is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks that the Society faces. The systems of internal controls are reflected in that the Society has received the Abbeyfield Standard and has also been accredited by the Local Authority.

OBJECTS AND ACTIVITIES

To provide accommodation, care and companionship for lonely or frail elderly people in accordance with the aims and principles of The Abbeyfield Society Limited. This activity falls wholly within social housing activities as defined in the Housing and Regeneration Act 2008.

ACHIEVEMENTS AND PERFORMANCE

The Society has successfully fulfilled its objectives during the year. Further information detailing the achievements and performance of the Society can be found in the Chair's Report annexed hereto.

FINANCIAL REVIEW

The Society incurred a deficit for the year of £18,385 (2018 - £5,109). The results for the year are set out in the financial statements attached.

PUBLIC BENEFIT REQUIREMENT

The Members of the Executive Committee have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to guidance published by the Charity Commission concerning the public benefit requirement.

CHAIRPERSON'S REPORT

After one of our residents moved to further care, the Trustees embarked upon a programme of refurbishment and updating three upstairs rooms. This has had a considerable impact on our finances. The total cost being £14,785. This being 80% of our total 2019 deficit. However this work will enable us to provide a higher standard of room at a more favourable rent.

**THE ABBEYFIELD SANDERSTEAD SOCIETY LIMITED
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**REPORT OF THE DIRECTORS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019**

CHAIRPERSON'S REPORT

A second Weekend House Manager Mrs Julie Carter was engaged following the resignation of Mrs Sylvie Adams

We remain grateful to all who supported us financially and those who gave their time voluntary augmenting the work of our small paid workforce.

We continue to organise an interesting and varied programme of outings and events for our residents.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The Charities Act and the Companies Act require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- i. select suitable accounting policies and then apply them consistently;
- ii. make judgements and estimates that are reasonable and prudent;
- iii. prepare financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business;
- iv. state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act, the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords Determination 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for the contents of the Report of the Directors, and the responsibility of the independent examiner in relation to the Report of the Directors is limited to examining the report and ensuring that, on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

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

I approve the attached statement of financial activities and balance sheet for the period ended 31st March 2019, and confirm that I have made available all information necessary for its preparation.

Approved by the Directors on the 13th December 2019

Signed on their behalf by Mrs M Brown, Chairperson and Director.

**THE ABBEYFIELD SANDERSTEAD SOCIETY LIMITED
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**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2019**

(Incorporating Income & Expenditure Account)

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2019 £	TOTAL 2018 £
INCOME						
Donations and Legacies	2a	2,500	-	-	2,500	3,648
Income from other Charity Activities	2b	98,652	-	-	98,652	106,302
Income from Investments	2c	116	-	-	116	83
TOTAL INCOME		101,268	-	-	101,268	110,033
EXPENDITURE						
Expenditure on Charitable Activities	3a	119,653	-	-	119,653	104,924
TOTAL EXPENDITURE		119,653	-	-	119,653	104,924
NET INCOME/ EXPENDITURE		(18,385)	-	-	(18,385)	5,109
Fund Brought Forward		460,163	-	-	460,163	455,054
TOTAL FUNDS CARRIED FORWARD		441,778	-	-	441,778	460,163

Movements on all reserves and all recognised gains and losses are shown above. All of the organisation's operations are classed as continuing.

The notes on pages 8 to 13 form part of these financial statements.

**THE ABBEYFIELD SANDERSTEAD SOCIETY LIMITED
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**BALANCE SHEET
AS AT 31ST MARCH 2019**

	Note	Unrestricted Funds £	Restricted Funds £	31-Mar-19 Total £	31-Mar-18 Total £
Fixed Assets					
Tangible Assets	6	537,255	-	537,255	540,190
		537,255	-	537,255	540,190
Current Assets					
Debtors & Prepayments	7	2,186	-	2,186	2,781
Cash at Bank and in Hand	8	40,323	-	40,323	54,371
Total Current Assets		42,509	-	42,509	57,152
Creditors: amounts falling due within one year	9	2,986	-	2,986	2,179
NET CURRENT ASSETS		39,523	-	39,523	54,973
TOTAL ASSETS less current liabilities		576,778	-	576,778	595,163
Creditors: amounts falling due in more than one year	10	135,000	-	135,000	135,000
NET ASSETS		441,778	-	441,778	460,163
FUNDS OF THE CHARITY					
Unrestricted Funds		441,778	-	441,778	460,163
Designated Funds		-	-	-	-
Restricted Funds		-	-	-	-
TOTAL FUNDS		441,778	-	441,778	460,163

DIRECTORS' RESPONSIBILITIES

The charitable company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, in accordance with section 145 of the Charities Act 2011, the accounts have been examined by an Independent Examiner whose report appears on page 14.

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

Approved by the Directors on the 13th December 2019

Signed on their behalf by Director M Brown

Print Name: Mrs M Brown, Chairperson and Director.

Company Registration Number: 719534

**THE ABBEYFIELD SANDERSTEAD SOCIETY LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2019**

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - Charities SORP (FRS102)) and incorporating update bulletin 1, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Social Housing in England 2012. The accounts have been prepared on an ongoing concern basis.

The functional currency of the charity is sterling (£).

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Advantage has been taken of Section 396(5) of The Companies Act 2006 to allow the format of the financial statements to be adapted to reflect the special nature of the charity's operation and in order to comply with the requirements of the SORP.

The charity has opted to prepare its accounts using natural categories.

Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period.

Material prior period errors

No material prior year errors have been identified in the reporting period.

Incoming Resources

Recognition of Incoming Resources

These are included in the Statement of Financial Activities (SOFA) when:

- the Charity becomes entitled to the income;
- it is more likely than not that the trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

Grants and Donations

Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS 102 SORP).

Tax Reclaims on Donations and Gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Gifts in Kind

Gifts in kind for use by the charity are included in the SoFA as income from donations when receivable.

Volunteer Help

The value of any voluntary help received is not included in the accounts but is described in the Directors' annual report.

**THE ABBEYFIELD SANDERSTEAD SOCIETY LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019**

1. ACCOUNTING POLICIES (Continued)

Expenditure and Liabilities

Liability Recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Governance and Support Costs

Support costs represent the cost of central functions, for example governance costs, payroll administration, information technology. Governance costs are those support costs which relate to public accountability of the charity and its compliance with regulation and good practice.

Deferred income

No material item of deferred income has been included in the accounts.

Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

Legal status of the charity

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

Social Housing Grant

The Society is in receipt of Social Housing Grants, formerly called Housing Association Grants (HAG). Where developments have been wholly or partially funded by such grants, the cost of **these** developments has been reduced by the value of the grant received. The value of the grant is disclosed as a separate item. These grants may be repayable in the event that the relevant property is sold by the Society, or if certain other relevant events take place, but can be rolled over into other purchase or development activities in certain circumstances.

Fixed Assets

These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or, if gifted, at the value to the charity on receipt.

Depreciation Expense

Depreciation is calculated at a rate to write off the cost of tangible fixed assets on a reducing balance over their estimated useful lives. The rates applied per annum are as follows:

Freehold Buildings	1%
Fixture, Fittings & Equipment	25%

Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

**THE ABBEYFIELD SANDERSTEAD SOCIETY LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019**

2. INCOME

Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2019 £	TOTAL 2018 £
a) Donations and Legacies					
Gifts & Donations	2,500	-	-	2,500	3,648
	2,500	-	-	2,500	3,648
b) Income from other Charitable Activities					
Fundraising Events	568	-	-	568	904
Rent Receivable	5 98,084	-	-	98,084	105,398
	98,652	-	-	98,652	106,302
c) Income from Investments					
Bank Interest	116	-	-	116	83
	116	-	-	116	83

3. EXPENSES

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2019 £	TOTAL 2018 £
a) Expenditure on Charitable Activities					
Bank Charges	243	-	-	243	260
Careline	1,444	-	-	1,444	1,593
Cleaning	2,224	-	-	2,224	1,793
Council Tax	2,728	-	-	2,728	2,598
Depreciation	2,935	-	-	2,935	2,976
Gardening	1,720	-	-	1,720	935
Housekeeping	18,729	-	-	18,729	18,669
Independent Examination	876	-	-	876	1,365
Insurance	2,740	-	-	2,740	2,572
Lighting & Heating	7,797	-	-	7,797	5,347
Office Expenses	1,380	-	-	1,380	705
Pensions	1,175	-	-	1,175	1,124
Repairs & Redecoration	31,184	-	-	31,184	21,523
Salaries & NI Contributions	35,314	-	-	35,314	35,284
Subscriptions - The Abbeyfield Soc.	2,457	-	-	2,457	2,384
Sundries	3,276	-	-	3,276	3,104
Telephone	1,530	-	-	1,530	1,230
TV Licence & Rentals	303	-	-	303	295
Water Rates	1,597	-	-	1,597	1,167
	119,653	-	-	119,653	104,924

**THE ABBEYFIELD SANDERSTEAD SOCIETY LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019**

4. DETAILS OF CERTAIN TYPES OF EXPENDITURE

	2019	2018
	£	£
Independent examiner's fees	876	1,365
Assurance services other than audit or independent examination	-	-
Tax advisory fees	-	-
Other fees (for example: financial advice, consultancy, accountancy services) paid to the independent examiner	-	-

5. RENT RECEIVABLE

	Unrestricted Fund £	Restricted Fund £	Total 31-Mar-19 £	Total 31-Mar-18 £
Income receivable based on 100% occupancy	110,259	-	110,259	104,712
Winter fuel allowance	1,350	-	1,350	1,200
Losses arising from vacancies	13,525	-	13,525	514
	98,084	-	98,084	105,398

6. TANGIBLE FIXED ASSETS

		Unrestricted	Freehold HAG Schemes Title no: SY276359	Total
		Fixtures, Fittings & Equipment £	£	£
Cost	01-Apr-18	25,833	711,201	737,034
Housing Association Grant		-	143,691	143,691
Cost at	31-Mar-19	<u>25,833</u>	<u>567,510</u>	<u>593,343</u>
Depreciation	01-Apr-18	25,695	27,458	53,153
Charge		35	2,900	2,935
Depreciation at	31-Mar-19	<u>25,730</u>	<u>30,358</u>	<u>56,088</u>
Net Book Value	31-Mar-19	<u>103</u>	<u>537,152</u>	<u>537,255</u>
Net Book Value	31-Mar-18	138	540,052	540,190

7. DEBTORS AND PREPAYMENTS

	Unrestricted Fund £	Restricted Fund £	Total 31-Mar-19 £	Total 31-Mar-18 £
Other Debtors	16	-	16	-
Prepayments	2,170	-	2,170	2,781
	2,186	-	2,186	2,781

8. CASH AT BANK AND IN HAND

	Unrestricted Fund £	Restricted Fund £	Total 31-Mar-19 £	Total 31-Mar-18 £
Current Account	7,079	-	7,079	21,243
Savings Account	33,184	-	33,184	33,068
Petty Cash	60	-	60	60
	40,323	-	40,323	54,371

**THE ABBEYFIELD SANDERSTEAD SOCIETY LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019**

9. CREDITORS AND ACCRUALS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Unrestricted Fund £	Restricted Fund £	Total 31-Mar-19 £	Total 31-Mar-18 £
Tax & NI costs	-	-	-	857
Accruals	2,986	-	2,986	1,322
	2,986	-	2,986	2,179

10. CREDITORS AND ACCRUALS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	Unrestricted Fund £	Restricted Fund £	Total 31-Mar-19 £	Total 31-Mar-18 £
Mortgage Loan	135,000	-	135,000	135,000
	135,000	-	135,000	135,000

The interest free mortgage loan is secured on the freehold property and is repayable in February 2029.

11. STAFF COSTS AND NUMBERS

	2019 £	2018 £
Gross Wages and Salaries	35,314	35,284
Employer's National Insurance Costs	-	-
Pension	1,175	1,123
	36,489	36,407

Employees who were engaged in each of the following activities:

	2019 TOTAL	2018 TOTAL
Activities in furtherance of organisation's objects	3	3
Management and administration	1	1
Total	4	4

No employees received emoluments in excess of £60,000. Staff are paid through the PAYE system. (Note 2018: None)

The total amount paid to key management personnel (includes trustees and senior management) for their services to the charity was: £0

The charity pays employer contributions into a government backed NEST pension scheme on behalf of one employee. In 2019 these contributions totalled £162.

The charity pays employer contributions into a stakeholder private pension on behalf of one employee. In 2019 these contributions totalled £1,013.

**THE ABBEYFIELD SANDERSTEAD SOCIETY LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019**

12. HOUSING STOCK

Social housing accommodation, number of bed spaces

	2019 TOTAL	2018 TOTAL
Units in Management	9	9
Units under Development	-	-
	<u><u>9</u></u>	<u><u>9</u></u>

13. DIRECTORS AND OTHER RELATED PARTIES

No payments were made to directors or any persons connected with them during this financial period. No material transaction took place between the organisation and a trustee or any person connected with them.

14. RISK ASSESSMENT

See Report of the Directors see Page 4

15. RESERVES POLICY

The directors have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The directors aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The directors will endeavour not to set aside funds unnecessarily.

16. PUBLIC BENEFIT

See Report of the Directors see Page 4.

INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

I report to the trustees on my examination of the accounts of the above charity for the year ended 31st March 2019.

As the charity's trustees (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

Responsibilities and basis of report

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's qualified statement

I have completed my examination. I confirm that apart from the matter described below, no other material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.
- I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

The matter that has come to my attention is:

Receipts for some requested items of expenditure relating to housekeeping were not available at the time of the independent examination. The Trustees are confident that the receipts do exist but due to senior staff illness at the time of the independent examination they could not be provided to the examiner. The Trustees are aware of the importance of internal verification procedures and will work towards tightening internal controls in this area.

Date: 14th January 2020

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