

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 2020

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 (Appointed 7 November 2019)
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 25 Luke Street LONDON EC2A 4AR

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 2020

The Directors present their report and financial statements for the year ended 31 May 2020.

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.

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:

	2020	2019
%	%	
Operating (deficit) as a percentage of income	(10)	(6)
Overall occupancy rate	76	82
Lost income through voids as a percentage of income	24	18
Total staff costs as a percentage of income	81	73
Food costs as a percentage of income	6	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 2020

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.

During the year, the Board restructured the management of the Society by appointing a General Manager to oversee the operations of the two Care Homes and a Finance Manager to deal with the accounting and finance function of the Society.

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 2020

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

(Appointed 7 November 2019)

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 2020

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: 22 December 2020

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF DIRECTORS RESPONSIBILITIES
FOR THE YEAR ENDED 31 MAY 2020

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 2020 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 2015.

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 2020 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Society's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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**

22 December 2020

**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 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
	Notes				
Income and endowments from:					
Donations and legacies		5,210	-	5,210	1,316
Charitable activities	3	2,337,283	-	2,337,283	2,376,103
Other trading activities	4	2,422	-	2,422	2,708
Investments	5	48,986	-	48,986	40,686
Social housing grant amortisation		35,653	-	35,653	37,233
Net gain on disposal of tangible fixed assets		-	-	-	240,888
Coronavirus job retention scheme and infection control grants		84,747	-	84,747	-
Total income		2,514,301	-	2,514,301	2,698,934
Expenditure on:					
Charitable activities	6	2,736,039	1,400	2,737,439	2,581,646
Net gains/(losses) on investments	10	381,640	-	381,640	249,139
Net incoming/(outgoing) resources before transfers		159,902	(1,400)	158,502	366,427
Gross transfers between funds		3,238	(3,238)	-	-
Net movement in funds		163,140	(4,638)	158,502	366,427
Fund balances at 1 June 2019		9,660,841	74,273	9,735,114	9,368,687
Fund balances at 31 May 2020		9,823,981	69,635	9,893,616	9,735,114

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 22 December 2020

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 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	12	6,113,119		6,302,453	
Investments	13	3,317,358		2,916,054	
		<u>9,430,477</u>		<u>9,218,507</u>	
Current assets					
Debtors	15	147,402		101,871	
Cash at bank and in hand		1,564,460		1,623,596	
		<u>1,711,862</u>		<u>1,725,467</u>	
Creditors: amounts falling due within one year	16	(210,415)		(134,899)	
Net current assets		<u>1,501,447</u>		<u>1,590,568</u>	
Total assets less current liabilities		<u>10,931,924</u>		<u>10,809,075</u>	
Creditors: amounts falling due after more than one year	17	(1,038,308)		(1,073,961)	
Net assets		<u><u>9,893,616</u></u>		<u><u>9,735,114</u></u>	
Income funds					
<u>Restricted funds</u>					
Specific donations and legacies		27,635		30,873	
Occupational therapy unit		42,000		43,400	
	19	<u>69,635</u>		<u>74,273</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		8,346,598		8,490,163	
Revaluation reserve		907,383		600,678	
		<u>9,823,981</u>		<u>9,660,841</u>	
		<u><u>9,893,616</u></u>		<u><u>9,735,114</u></u>	

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2020

The Directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the Directors on 22 December 2020

Mr D Cager
Director

Mr A Jesseman
Director

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 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash absorbed by operations	26		(56,803)		(83,980)
Investing activities					
Purchase of tangible fixed assets		(31,655)		(363,343)	
Proceeds on disposal of tangible fixed assets		-		877,373	
Accumulation dividends and other adjustments		283		(1,010)	
Purchase of investments		(450,505)		(620,211)	
Proceeds on disposal of investments		563,396		524,022	
Dividends and interest received		48,986		40,686	
Net cash generated from investing activities			130,505		457,517
Net increase in cash and cash equivalents			73,702		373,537
Cash and cash equivalents at beginning of year			1,718,814		1,345,277
Cash and cash equivalents at end of year			1,792,516		1,718,814
Relating to:					
Cash at bank and in hand			1,564,460		1,623,596
Short term deposits included in investments			228,056		95,218

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2020

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 2015. 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 2020

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. 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 2020

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.

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2020

1 Accounting policies

(Continued)

1.13 Social Housing Grants

In line with FRS 102 and the Housing SORP 2014 (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
	2020	2019
	£	£
Rent receivable and service charge income gross of voids	3,073,380	2,901,471
Void losses (being rental income lost as a result of rooms not being let, although available for letting)	(736,097)	(525,368)
	<u>2,337,283</u>	<u>2,376,103</u>
	<u>66</u>	<u>66</u>
Average number of bed spaces under management	66	66

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2020

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Day care and visitor's fees	2,422	2,708
	<u>2,422</u>	<u>2,708</u>

5 Investments

	Unrestricted funds	Total
	2020	2019
	£	£
Income from investments	40,929	32,914
Interest receivable	8,057	7,772
	<u>48,986</u>	<u>40,686</u>

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2020

6 Charitable activities

	2020	2019
	£	£
Accommodation, care and companionship for the elderly		
Staff costs	1,895,899	1,746,618
Depreciation and impairment	220,989	221,570
Insurance	33,916	34,607
Telephone	18,055	16,911
Agency staff	34,364	345
Food and provisions	129,454	143,614
Household sundries	56,910	66,376
Clearing materials	44,379	43,081
Rates, water and waste	33,835	28,298
Heating and lighting	53,007	54,368
Minor equipment	9,562	9,478
Fixtures and fittings	2,745	10,578
CQC Levy	10,234	10,296
Drugs and medical costs	30,808	15,334
Repairs and maintenance	71,846	85,250
Postage and stationery	4,379	4,636
Affiliation fees	17,987	17,634
Legal and professional fees	32,407	41,731
Audit and accountancy fees	10,670	5,040
Payroll fees	3,423	3,220
Other management costs	1,305	2,945
Investment management fees	21,265	19,716
	<u>2,737,439</u>	<u>2,581,646</u>
	<u>2,737,439</u>	<u>2,581,646</u>
Analysis by fund		
Unrestricted funds	2,736,039	2,580,246
Restricted funds	1,400	1,400
	<u>2,737,439</u>	<u>2,581,646</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 £6,850 (2019 - £4,200) for audit fees and £2,042 (2019 - £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 2020

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:

	2020	2019
	Number	Number
General, central company	4	3
Nicholas House - Care, activity, housekeeping, kitchen, maintenance and management	45	48
Winton House - Care, activity, housekeeping, kitchen, maintenance and management	42	44
	<u>91</u>	<u>95</u>

Employment costs

	2020	2019
	£	£
Wages and salaries	1,723,334	1,593,592
Social security costs	129,176	113,773
Other pension costs	43,388	39,253
	<u>1,895,899</u>	<u>1,746,618</u>

The number of employees on a full time equivalent basis (based on a 38 hour week) was 74 (2019 - 75).

There were no employees whose annual remuneration was £60,000 or more.

10 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Revaluation of investments	419,726	283,351
Gain/(loss) on sale of investments	(38,086)	(34,212)
	<u>381,640</u>	<u>249,139</u>

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2020

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 2019	3,467,886	3,969,577	755,898	76,104	8,269,465
Additions	15,206	5,923	10,526	-	31,655
At 31 May 2020	3,483,092	3,975,500	766,424	76,104	8,301,120
Depreciation and impairment					
At 1 June 2019	517,520	1,123,181	312,091	14,220	1,967,012
Depreciation charged in the year	69,651	75,800	67,926	7,612	220,989
At 31 May 2020	587,171	1,198,981	380,017	21,832	2,188,001
Carrying amount					
At 31 May 2020	2,895,921	2,776,519	386,407	54,272	6,113,119
At 31 May 2019	2,950,366	2,846,396	443,807	61,884	6,302,453

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

	2020 £	2019 £
Freehold and long leasehold properties	10,000,000	10,000,000

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2020

13 Fixed asset investments

	Listed investments £
Valuation	
At 1 June 2019	2,916,054
Additions	450,505
Valuation changes	418,492
Movement in cash balances	132,838
Other movements	951
Disposals	(601,482)
	<hr/>
At 31 May 2020	3,317,358
	<hr/>
Carrying amount	
At 31 May 2020	3,317,358
	<hr/> <hr/>
At 31 May 2019	2,916,054
	<hr/> <hr/>
 Made up of:	
Listed investments	3,089,302
Cash balances	228,056
	<hr/>
	3,317,358
	<hr/> <hr/>
 Historic cost	
At 1 June 2019	2,315,375
Additions	450,505
Movement in cash balances	132,838
Other movements	951
Disposals	(489,695)
	<hr/>
At 31 May 2020	2,409,974
	<hr/> <hr/>

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 £306,705 (2019 - £43,115) in the year.

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2020

14	Financial instruments	2020	2019
		£	£
	Carrying amount of financial assets		
	Debt instruments measured at cost	49,562	57,990
	Instruments measured at fair value through profit and loss	3,317,358	2,916,054
		<u> </u>	<u> </u>
	Carrying amount of financial liabilities		
	Measured at cost	1,221,241	1,175,314
		<u> </u>	<u> </u>
15	Debtors	2020	2019
		£	£
	Amounts falling due within one year:		
	Trade debtors	49,502	57,930
	Other debtors	60	60
	Prepayments and accrued income	97,840	43,881
		<u> </u>	<u> </u>
		147,402	101,871
		<u> </u>	<u> </u>
16	Creditors: amounts falling due within one year	2020	2019
		£	£
	Other taxation and social security	27,482	33,546
	Trade creditors	41,809	40,106
	Other creditors	51,054	21,412
	Accruals and deferred income	90,070	39,835
		<u> </u>	<u> </u>
		210,415	134,899
		<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 2020

17 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Other creditors	1,038,308	1,073,961
	<u> </u>	<u> </u>
Social Housing Grants		
	2020	2019
	£	£
Amounts received	1,856,768	1,856,768
	<u> </u>	<u> </u>
Amortisation		
At 1 June 2019	782,807	745,574
Released in the year	35,653	37,233
	<u> </u>	<u> </u>
At 31 May 2020	818,460	782,807
	<u> </u>	<u> </u>
Carrying value		
At 31 May 2020	1,038,308	1,073,961
	<u> </u>	<u> </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. £36,137 is expected to be released to the Statement of Financial Activities in the year ending 31 May 2021.

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 £43,388 (2019 - £39,253).

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2020

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 2018 £	Resources expended £	Balance at 1 June 2019 £	Resources expended £	Balance at 31 May 2020 £
Specific donations and legacies	41,575	(10,702)	30,873	(3,238)	27,635
Occupational therapy unit	44,800	(1,400)	43,400	(1,400)	42,000
	<u>86,375</u>	<u>(12,102)</u>	<u>74,273</u>	<u>(4,638)</u>	<u>69,635</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 2018 £	Movement in funds Incoming resources £	Balance at 1 June 2019 £	Movement in funds Incoming resources £	Balance at 31 May 2020 £
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>

21 Revaluation reserve

Revaluation of investments at market value reserve is represented by:

Balance brought forward 1 June 2018 £557,563 realised on disposal in 2019 (£240,235) unrealised in 2019 £283,350 carried forward 31 May 2019 £600,678.

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.

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

22 Analysis of net assets between funds

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Fund balances at 31 May 2020 are represented by:						
Tangible assets	6,071,119	42,000	6,113,119	6,259,053	43,400	6,302,453
Investments	3,317,358	-	3,317,358	2,916,054	-	2,916,054
Current assets/(liabilities)	1,473,812	27,635	1,501,447	1,559,695	30,873	1,590,568
Long term liabilities	(1,038,308)	-	(1,038,308)	(1,073,961)	-	(1,073,961)
	<u>9,823,981</u>	<u>69,635</u>	<u>9,893,616</u>	<u>9,660,841</u>	<u>74,273</u>	<u>9,735,114</u>

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 Financial commitments, guarantees and contingent liabilities

A legal charge that was in place with The Housing Corporation over all monies due, or to become due, from the company to the chargee on any account whatsoever regarding St Andrew's Lodge, Windsor was satisfied on 7 November 2019.

25 Related party transactions

Remuneration of key management personnel

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

	2020	2019
	£	£
Aggregate compensation	<u>229,040</u>	<u>208,354</u>

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.

THE ABBEYFIELD (MAIDENHEAD) SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

26	Cash generated from operations	2020 £	2019 £
	Surplus for the year	158,502	366,427
	Adjustments for:		
	Investment income recognised in statement of financial activities	(48,986)	(40,686)
	Gain on disposal of tangible fixed assets	-	(240,888)
	Loss on disposal of investments	38,086	34,212
	Fair value gains and losses on investments	(419,726)	(283,351)
	Depreciation and impairment of tangible fixed assets	220,989	221,570
	Movements in working capital:		
	(Increase) in debtors	(45,531)	(34,027)
	Increase/(decrease) in creditors	39,863	(107,237)
	Cash absorbed by operations	<u>(56,803)</u>	<u>(83,980)</u>
27	Analysis of changes in net funds		

The Society had no debt during the year.

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