

Company registration number: 00961985

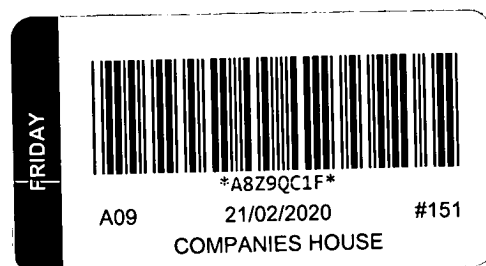
Charity registration number: 259776

**The Abbeyfield Worcester and Hereford Society Limited**

**(A company limited by guarantee)**

**Annual Report and Financial Statements**

**for the Year Ended 30 September 2019**



# **The Abbeyfield Worcester and Hereford Society Limited**

## **Contents**

Reference and Administrative Details	1
Trustees' Report	2 to 4
Independent Auditors' Report	5 to 7
Statement of Financial Activities	8
Balance Sheet	9 to 10
Statement of Cash Flows	11
Notes to the Financial Statements	12 to 19

# **The Abbeyfield Worcester and Hereford Society Limited**

## **Reference and Administrative Details**

<b>Trustees</b>	Miss A England Miss P J Rayer G A Harris P S Kendal Dr S G King (appointed 3 October 2018) P C Scaiff
<b>Principal Office</b>	Whiston Court 20 White Ladies Close Worcester WR1 1QA
<b>Company Registration Number</b>	00961985
<b>Charity Registration Number</b>	259776
<b>Solicitors</b>	Harrison Clark Rickerbys Limited 5 Deansway Worcester Worcestershire WR1 2JG
<b>Auditor</b>	Ballards LLP Statutory Auditor 11c Kingswood Road Hampton Lovett Droitwich Worcestershire WR9 0QH

## **The Abbeyfield Worcester and Hereford Society Limited**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 September 2019. The trustees have adopted the provisions of 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 (FRS102) (effective 1 January 2015).

#### **Objectives and activities**

##### ***Objects and aims***

The objects of the charity are to enhance the quality of life for older people by providing a service which offers a home for life integrated in a local community of high quality accommodation and a stimulating environment to maintain a socially active community that will directly benefit the mind, body and soul.

##### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Achievements and performance**

##### ***Review of business and results for the year***

This has been another satisfactory year for both Whiston Court in Worcester, which moved to nearly full occupancy, and Ainslie House in Hereford, which remained nearly full throughout the year. At the end of the financial year, 35 of the 37 apartments at Whiston Court were occupied, with 19 having been sold and 16 being rented; the two remaining apartments were reserved for sale. The popular Ainslie House was near to full occupancy, with 9 or 10 residents renting en-suite rooms.

The company is engaged in several different business activities across both premises, comprising property sales, rental of properties and the provision of services to support its residents. These services include the serving of a daily lunch, apartment cleaning and property management in both properties and also a 24-hour on-site presence at Whiston Court. These activities generated total income of £1.766m across the year, resulting in an overall surplus of £123,130.

At the end of the year, the company's net assets amounted to £2.163m (£2.040m at the end of the previous year) and compares with £1.256m in 2012 before the start of the new Worcester development and the merger with the Abbeyfield Hereford Society.

At the end of the year, the company had outstanding long-term borrowings of £1,851m in the form of two loans from Handelsbanken.

##### ***Future developments***

No immediate developments are planned but the Board continues to maintain a watch over the local market for any suitable opportunities which may arise.

## **The Abbeyfield Worcester and Hereford Society Limited**

### **Trustees' Report**

#### ***Financial review***

##### ***Policy on reserves***

The Board is reviewing its reserves policy in the light of its changed circumstances but is planning to maintain sufficient general funds to finance the expenditure of the company over the following 12 months.

#### **Structure, governance and management**

##### ***Nature of governing document***

The Society is governed by its Memorandum and Articles of Association and was incorporated on 15 September 1969 as a company limited by guarantee with no share capital; the Company Number is 00961985. The Society is also registered as a charity, Charity Number 259776, and with the Housing Corporation as a Registered Social Housing Provider, Number H2907.

##### ***Recruitment and appointment of trustees***

New trustees are recruited and appointed at the discretion of the existing trustees.

##### ***Induction and training of trustees***

New trustees are instructed in their duties by the existing trustees and are required to be aware of the guidance to trustees issued by the Charity Commission.

##### ***Organisational structure***

All trustees are members of the executive committee which is charged with the management of the charity in furtherance of its principal activity, fund management and financial affairs generally.

One third of the trustees must retire by rotation each year, but are eligible for re-election.

#### **Statement of trustees responsibilities**

The trustees (who are also the directors of The Abbeyfield Worcester and Hereford Society Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 charitable company will continue in business.

## **The Abbeyfield Worcester and Hereford Society Limited**

### **Trustees' Report**

#### **Statement of Trustees' Responsibilities**

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Disclosure of information to auditor**

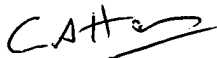
Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

#### **Reappointment of auditor**

The auditors, Ballards LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The annual report was approved by the trustees of the charity on 11/02/2020 and signed on its behalf by:



.....  
G A Harris  
Trustee

## **The Abbeyfield Worcester and Hereford Society Limited**

### **Independent Auditor's Report to the Members of The Abbeyfield Worcester and Hereford Society Limited**

#### **Opinion**

We have audited the financial statements of The Abbeyfield Worcester and Hereford Society Limited (the 'charity') for the year ended 30 September 2019, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. 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 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2019 and of its results 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 charity 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 trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity'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 trustees 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **The Abbeyfield Worcester and Hereford Society Limited**

### **Independent Auditor's Report to the Members of The Abbeyfield Worcester and Hereford Society Limited**

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.

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

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Statement of trustees responsibilities [set out on page three], the trustees 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 as the trustees determine 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 trustees are responsible for assessing the charity'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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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

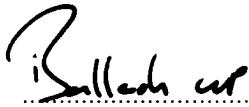
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



**The Abbeyfield Worcester and Hereford Society Limited**

**Independent Auditor's Report to the Members of The Abbeyfield Worcester and Hereford  
Society Limited**



Ballards LLP, Statutory Auditor

Chartered Accountants

Registered Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

11c Kingswood Road

Hampton Lovett

Droitwich

Worcestershire

WR9 0QH

Date: 11/2/2020

**The Abbeyfield Worcester and Hereford Society Limited**

**Statement of Financial Activities for the Year Ended 30 September 2019**  
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	4,383	3,285	7,668
Charitable activities	3	1,758,183	-	1,758,183
Investment income	4	4	-	4
Total Income		<u>1,762,570</u>	<u>3,285</u>	<u>1,765,855</u>
<b>Expenditure on:</b>				
Raising funds		(976,468)	-	(976,468)
Charitable activities	5	<u>(665,956)</u>	<u>(301)</u>	<u>(666,257)</u>
Total Expenditure		<u>(1,642,424)</u>	<u>(301)</u>	<u>(1,642,725)</u>
Net income		<u>120,146</u>	<u>2,984</u>	<u>123,130</u>
Net movement in funds		120,146	2,984	123,130
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>2,038,664</u>	<u>1,452</u>	<u>2,040,116</u>
Total funds carried forward	17	<u>2,158,810</u>	<u>4,436</u>	<u>2,163,246</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2018 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	5,034	-	5,034
Charitable activities	3	1,651,970	-	1,651,970
Investment income	4	2	-	2
Total Income		<u>1,657,006</u>	<u>-</u>	<u>1,657,006</u>
<b>Expenditure on:</b>				
Raising funds		(1,014,539)	-	(1,014,539)
Charitable activities	5	<u>(717,576)</u>	<u>(320)</u>	<u>(717,896)</u>
Total Expenditure		<u>(1,732,115)</u>	<u>(320)</u>	<u>(1,732,435)</u>
Gains/losses on investment assets		<u>(20,772)</u>	<u>-</u>	<u>(20,772)</u>
Net expenditure		<u>(95,881)</u>	<u>(320)</u>	<u>(96,201)</u>
Net movement in funds		(95,881)	(320)	(96,201)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>2,134,545</u>	<u>1,772</u>	<u>2,136,317</u>
Total funds carried forward	17	<u>2,038,664</u>	<u>1,452</u>	<u>2,040,116</u>

**The Abbeyfield Worcester and Hereford Society Limited**

**(Registration number: 00961985)  
Balance Sheet as at 30 September 2019**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
<b>Fixed assets</b>			
Tangible assets	11	648,921	679,493
Investments	12	<u>2,910,944</u>	<u>2,910,944</u>
		<u>3,559,865</u>	<u>3,590,437</u>
<b>Current assets</b>			
Stocks	13	296,688	1,273,156
Debtors	14	12,118	19,485
Cash at bank and in hand		<u>225,517</u>	<u>70,524</u>
		534,323	1,363,165
<b>Creditors: Amounts falling due within one year</b>	15	<u>(79,949)</u>	<u>(2,913,486)</u>
<b>Net current assets/(liabilities)</b>		<u>454,374</u>	<u>(1,550,321)</u>
<b>Total assets less current liabilities</b>		4,014,239	2,040,116
<b>Creditors: Amounts falling due after more than one year</b>	16	<u>(1,850,993)</u>	<u>-</u>
<b>Net assets</b>		<u>2,163,246</u>	<u>2,040,116</u>
<b>Funds of the charity:</b>			
<b>Restricted funds</b>		4,436	1,452
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>2,158,810</u>	<u>2,038,664</u>
<b>Total funds</b>	17	<u>2,163,246</u>	<u>2,040,116</u>

For the financial year ending 30 September 2019 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

**Trustees' responsibilities:**

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

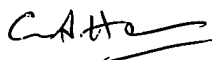
These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

**The Abbeyfield Worcester and Hereford Society Limited**

**(Registration number: 00961985)**  
**Balance Sheet as at 30 September 2019**

The financial statements on pages 8 to 21 were approved by the trustees, and authorised for issue on ~~11/02/2020~~ and signed on their behalf by:



.....  
G A Harris  
Trustee

**The Abbeyfield Worcester and Hereford Society Limited**

**Statement of Cash Flows for the Year Ended 30 September 2019**

	Note	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Net cash income/(expenditure)		123,130	(96,201)
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		35,023	53,627
Interest received	4	(4)	(2)
Interest payable		82,037	144,199
Revaluation of investments		<u>-</u>	<u>20,772</u>
		240,186	122,395
<b>Working capital adjustments</b>			
Decrease in stocks	13	976,468	1,014,539
Decrease/(increase) in debtors	14	7,367	(927)
Decrease in creditors	15	(41,751)	(13,765)
Increase/(decrease) in deferred income	16	<u>1,215</u>	<u>(2,226)</u>
Net cash flows from operating activities		<u>1,183,485</u>	<u>1,120,016</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	4	4	2
Interest payable		(82,037)	(144,199)
Purchase of tangible fixed assets	11	<u>(4,451)</u>	<u>(5,206)</u>
Net cash flows from investing activities		<u>(86,484)</u>	<u>(149,403)</u>
<b>Cash flows from financing activities</b>			
Value of new loans obtained during the period		2,100,000	-
Repayment of loans and borrowings	15	<u>(3,042,008)</u>	<u>(1,073,079)</u>
Net cash flows from financing activities		<u>(942,008)</u>	<u>(1,073,079)</u>
Net increase/(decrease) in cash and cash equivalents		154,993	(102,466)
Cash and cash equivalents at 1 October		<u>70,524</u>	<u>172,990</u>
Cash and cash equivalents at 30 September		<u>225,517</u>	<u>70,524</u>

All of the cash flows are derived from continuing operations during the above two periods.

## **The Abbeyfield Worcester and Hereford Society Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2019**

#### **1 Accounting policies**

##### **Statement of compliance**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

##### **Basis of preparation**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

##### **Income and endowments**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

##### **Tangible fixed assets**

The expenditure incurred in the construction of the Whiston Court property has been allocated into three areas on the balance sheet depending on the nature of the expenditure and planned use of the assets. This has been split as follows:

- Tangible assets include areas of the property retained by and for the ongoing use of the charity;
- Investment property includes the cost of apartments, including an allocation of communal areas, which are intended to be let by the charity; and
- Stock includes the cost of apartments, including an allocation of communal areas, which are intended to be sold by the charity.

##### **Depreciation and amortisation**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

##### **Asset class**

Freehold property  
Plant and machinery

##### **Depreciation method and rate**

Straight line over 50 years  
Straight line between 5 and 25 years

# The Abbeyfield Worcester and Hereford Society Limited

## Notes to the Financial Statements for the Year Ended 30 September 2019

Fixtures and fittings

Straight line between 5 and 10 years

### Investment properties

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

### Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### Fund structure

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

### Pensions and other post retirement obligations

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pensions scheme are charged to the Statement of Financial Activities in the period to which they relate.

## 2 Income from donations and legacies

	Unrestricted funds			
	General	Restricted	Total	Total
	£	funds	2019	2018
		£	£	£
Donations and legacies;				
Donations from individuals	150	3,285	3,435	1,883
Other income from donations and legacies	4,233	-	4,233	3,151
	<u>4,383</u>	<u>3,285</u>	<u>7,668</u>	<u>5,034</u>

**The Abbeyfield Worcester and Hereford Society Limited**

**Notes to the Financial Statements for the Year Ended 30 September 2019**

**3 Income from charitable activities**

	<b>Unrestricted funds</b>		
	<b>General</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
Service charge income	339,262	339,262	246,293
Income from lettings	201,821	201,821	168,857
Apartment sales	1,215,600	1,215,600	1,236,820
	<u>1,756,683</u>	<u>1,756,683</u>	<u>1,651,970</u>

**4 Investment income**

	<b>Unrestricted funds</b>		
	<b>General</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>4</u>	<u>4</u>	<u>2</u>

**5 Expenditure on charitable activities**

		<b>Unrestricted funds</b>			
		<b>General</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
	<b>Note</b>	<b>£</b>	<b>funds</b>	<b>2019</b>	<b>2018</b>
			<b>£</b>	<b>£</b>	<b>£</b>
Governance costs	6	<u>665,956</u>	<u>301</u>	<u>666,257</u>	<u>717,896</u>



**The Abbeyfield Worcester and Hereford Society Limited**

**Notes to the Financial Statements for the Year Ended 30 September 2019**

**6 Analysis of governance and support costs**

**Governance costs**

	<b>Unrestricted funds</b>		<b>Total 2019</b>	<b>Total 2018</b>
	<b>General £</b>	<b>Restricted funds £</b>	<b>£</b>	<b>£</b>
Staff costs				
Wages and salaries	214,768	-	214,768	204,382
Social security costs	8,114	-	8,114	8,065
Pension costs	8,919	-	8,919	7,207
Audit fees				
Audit of the financial statements	9,450	-	9,450	9,475
Staff and trustee expenses	4,747	-	4,747	4,557
Legal and professional fees	38,981	-	38,981	3,275
Estate agent fees	38,273	-	38,273	39,378
Marketing and publicity	20,386	-	20,386	61,762
Depreciation, amortisation and other similar costs	34,722	301	35,023	53,627
Other governance costs	287,596	-	287,596	326,168
	<u>665,956</u>	<u>301</u>	<u>666,257</u>	<u>717,896</u>

**7 Net incoming/outgoing resources**

Net income/(expenditure) for the year is stated after charging/(crediting):

	<b>2019 £</b>	<b>2018 £</b>
Audit fees	9,450	9,475
Depreciation of fixed assets	<u>35,023</u>	<u>53,627</u>

**8 Trustees remuneration and expenses**

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses from the charity during the year.

**The Abbeyfield Worcester and Hereford Society Limited**

**Notes to the Financial Statements for the Year Ended 30 September 2019**

**9 Staff costs**

The aggregate payroll costs were as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Staff costs during the year were:</b>		
Wages and salaries	214,768	204,382
Social security costs	8,114	8,065
Pension costs	8,919	7,207
	<u>231,801</u>	<u>219,654</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	<b>2019</b>	<b>2018</b>
	<b>No</b>	<b>No</b>
Full time	1	2
Part time	15	14
	<u>16</u>	<u>16</u>

No employee received emoluments of more than £60,000 during the year.

**10 Auditors' remuneration**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Audit of the financial statements	<u>9,450</u>	<u>9,475</u>

**The Abbeyfield Worcester and Hereford Society Limited**

**Notes to the Financial Statements for the Year Ended 30 September 2019**

**11 Tangible fixed assets**

	<b>Land and buildings £</b>	<b>Furniture and equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 October 2018	523,840	341,987	865,827
Additions	<u>-</u>	<u>4,451</u>	<u>4,451</u>
At 30 September 2019	<u>523,840</u>	<u>346,438</u>	<u>870,278</u>
<b>Depreciation</b>			
At 1 October 2018	26,250	160,084	186,334
Charge for the year	<u>10,500</u>	<u>24,523</u>	<u>35,023</u>
At 30 September 2019	<u>36,750</u>	<u>184,607</u>	<u>221,357</u>
<b>Net book value</b>			
At 30 September 2019	<u>487,090</u>	<u>161,831</u>	<u>648,921</u>
At 30 September 2018	<u>497,590</u>	<u>181,903</u>	<u>679,493</u>

**12 Fixed asset investments**

	<b>2019 £</b>	<b>2018 £</b>
Investment properties	<u>2,910,944</u>	<u>2,910,944</u>
<b>Investment properties</b>		<b>Investment properties £</b>
<b>Cost or Valuation</b>		
At 1 October 2018		<u>2,910,944</u>
<b>Provision</b>		
At 30 September 2019		<u>-</u>
<b>Net book value</b>		
At 30 September 2019		<u>2,910,944</u>
At 30 September 2018		<u>2,910,944</u>

**The Abbeyfield Worcester and Hereford Society Limited**

**Notes to the Financial Statements for the Year Ended 30 September 2019**

**13 Stock**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Stocks	<u>296,688</u>	<u>1,273,156</u>

**14 Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Prepayments	8,915	9,582
VAT recoverable	<u>3,203</u>	<u>9,903</u>
	<u>12,118</u>	<u>19,485</u>

**15 Creditors: amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Bank loans	26,279	579,280
Trade creditors	16,029	30,448
Abbeyfield Society loans	-	2,240,000
Other taxation and social security	2,316	2,921
Property development retention	-	1,368
Security deposits	14,550	12,525
Accruals	12,360	39,744
Contributions in advance	<u>8,415</u>	<u>7,200</u>
	<u>79,949</u>	<u>2,913,486</u>

**Bank borrowings**

During the financial period, all loans were restructured whereby the Abbeyfield loans and Lloyds Bank loans were repaid and new funding taken out with Handelsbanken in February 2019.

The new loan facilities are as follows:

- A 5 year loan facility of £1,100,000. 12.719% is repayable by way of quarterly instalments during the term of the facility, and 87.281% is to be repaid on the maturity date. This loan is in effect a loan with a term of 25 years which has a review of interest rate every 5 years.

- A 5 year loan facility of £1,000,000. The facility shall be repayable in full on the maturity date.

**16 Creditors: amounts falling due after one year**

	<b>2019</b>
	<b>£</b>
Bank loans	<u>1,850,993</u>

**The Abbeyfield Worcester and Hereford Society Limited**

**Notes to the Financial Statements for the Year Ended 30 September 2019**

**17 Funds**

	Balance at 1 October 2018 £	Incoming resources £	Resources expended £	Balance at 30 September 2019 £
<b>Unrestricted funds</b>				
General	(2,038,664)	(1,762,570)	1,642,424	(2,158,810)
<b>Restricted funds</b>	<u>(1,452)</u>	<u>(3,285)</u>	<u>301</u>	<u>(4,436)</u>
<b>Total funds</b>	<u>(2,040,116)</u>	<u>(1,765,855)</u>	<u>1,642,725</u>	<u>(2,163,246)</u>

	Balance at 1 October 2017 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 30 September 2018 £
<b>Unrestricted funds</b>					
General	(2,134,545)	(1,657,006)	1,732,115	20,772	(2,038,664)
<b>Restricted funds</b>	<u>(1,772)</u>	<u>-</u>	<u>320</u>	<u>-</u>	<u>(1,452)</u>
<b>Total funds</b>	<u>(2,136,317)</u>	<u>(1,657,006)</u>	<u>1,732,435</u>	<u>20,772</u>	<u>(2,040,116)</u>

**18 Analysis of net assets between funds**

	Unrestricted funds	Restricted funds	Total funds
	General £	£	£
Tangible fixed assets	647,770	1,151	648,921
Fixed asset investments	2,910,944	-	2,910,944
Current assets	534,323	-	534,323
Current liabilities	(79,949)	-	(79,949)
Creditors over 1 year	<u>(1,850,993)</u>	<u>-</u>	<u>(1,850,993)</u>
<b>Total net assets</b>	<u>2,162,095</u>	<u>1,151</u>	<u>2,163,246</u>

**19 Related party transactions**

There were no related party transactions in the year.