

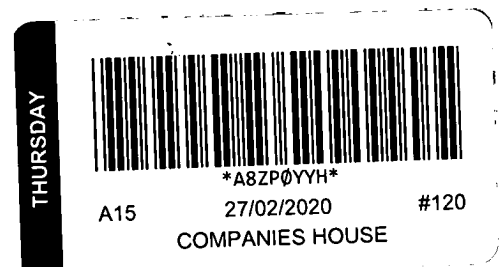
Company registration number 1108309
Charity registration number 266471
Registered Social Landlord number H1335

The Abbeyfield Buckland Monachorum Society Limited
(A company limited by guarantee and without share capital)

Directors' report and Accounts

For the year ended

30th September 2019



Registered office and principal address Pilcher's Field, The Crescent, Crapstone,
Yelverton, Devon PL20 7PS

The Abbeyfield Buckland Monachorum Society Limited
Directors' report and accounts for the year to 30th September 2019

Contents

	Pages
Directors' report	2-3
Accountant's report	4
Statement of Comprehensive Income	5
Statement of Financial Position	6
Statement of cash flow	7
Notes to account	8-12

The Abbeyfield Buckland Monachorum Society Limited
Directors' report
For the year ended 30th September 2019

The directors present their report and unaudited financial statements for the year ended 30th September 2019.

Constitution

The Society is a company limited by guarantee number 1108309, a registered provider of social housing H1335 under the Housing and Regeneration Act 2008, and a registered charity number 266471 governed by its memorandum and articles of association. The members of the Society appoint a Committee of directors to manage the Society.

The number of members of the Society as at 30th September 2019 was 19. Members consider the accounts, this report of the committee of directors and the election of directors at the annual general meeting.

Statement of directors' responsibilities

The directors who are also trustees for charity law purposes are responsible for preparing this report and the financial statements in accordance with applicable law and regulations. Company law and registered social housing legislation require the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with General Accepted Accounting practice (United Kingdom Accounting Standards and applicable law).

Under company law the Directors 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 company and of the surplus or deficit of the company for that period. In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- observe the methods and principles in the Registered Social Housing Providers' 2014 SORP
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the company will continue in business.

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

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 by using the relevant Abbeyfield standard procedures.

Activities

The principal activity of the Society is to provide accommodation, care and companionship for lonely or frail elderly people in accordance with the aims and principles of The Abbeyfield Society Limited.

During the year the Society achieved an occupancy level of 93.8% at its sheltered home. The occupancy level at the date of this report is 90%.

The Abbeyfield Buckland Monachorum Society Limited
Directors' report
For the year ended 30th September 2019

Directors

The directors who served during the year were:

Mr K Farnham	Chairman
Mrs R Kehoe	
Mr N Maxwell	Hon Treasurer and Company Secretary
Mr K Topham	

Mr K Farnham and Mr K Topham retire by rotation and offer themselves for re-election. The directors meet in committee at least six times a year.

Going concern

The directors have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Review and results of business during the year

In this year there has been a higher level of vacancies owing to an above average number of changes to residents in Pilchers Field and a delay in the change of ownership of a flat. This has reduced the income of the Society. In the year the Society has dealt with potential legal barriers to the building of a six unit extension and obtained necessary reports to support building regulation approval which was sought shortly after the year end. In the following year it is hoped to obtain funding and commence building of the extension.

In the year there was an operating surplus of £26,297 (2018 £35,581) before financing costs. Overall there is a surplus of £20,086 (2018 £29,352) in the year.

The success of the home very much rests with the staff and the volunteers who create a positive ambience for residents. We pay staff at least the living wage as determined by the Living Wage Foundation. The committee thanks all those who devote their time to the running of the home.

Value for Money metrics

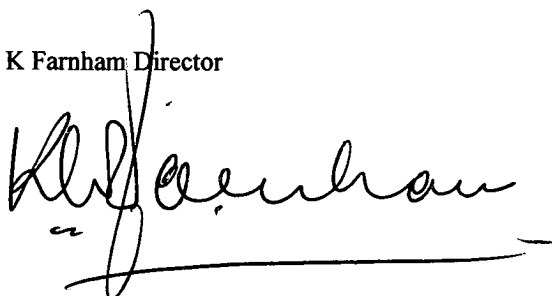
The regulator for Social housing issued a new Value for Money standard in June 2019 and requires us to report on certain metrics as set out below:

Metric	2019	2018
1 Reinvestment (%)	0	0
2(a) New Supply - social housing units (%)	0	0
2(b) New Supply - non social housing units (%)	0	0
3 Gearing (%)	9.34%	12.1%
4 EBITDA MRI interest cover (%)	616.1%	752.4%
5 Headline social housing cost per unit	£13,436	£13,152
6a Operating margin (Social housing lettings) (%)	18.0%	23.2%
6b Operating margin (Overall) (%)	18.0%	23.2%
7 Return on capital employed (%)	4.8%	6.7%

Signed by order of the Committee of directors

Date 28th November 2019

K Farnham Director



THE ABBEYFIELD BUCKLAND MONACHORUM SOCIETY LIMITED

Accountants' Report to the Members of The Abbeyfield Monachorum Society Limited.

I report on the accounts of the Society for the year ended 30 September 2019 set out on pages 5 to 12.

This report is made solely to the Society's members, as a body, in accordance with Section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the Society's members those matters I am required to state to them in this independent accountants' report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Society and the Society's members as a body, for my reporting work, for this report, or for the opinions I have formed.

Respective responsibilities of members and examiner

The members (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The members consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 and section 136 of the Housing and Regeneration Act 2008.

Having satisfied myself that the Society is not subject to audit I report in respect of my examination of your Society's accounts carried out under section 145 of the 2011 Act. In carrying out my examination I have followed the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act and section 138 of the Housing and Regeneration Act 2008.

Basis of examiner's report

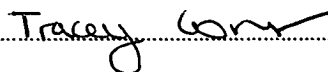
My examination includes a review of the accounting records kept by the Society and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as members concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Examiner's statement

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that, in any material respect:

1. accounting records were not kept in accordance with section 135 of the Housing and Regeneration Act 2008; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the requirements of section 396 of the Companies Act 2006, the Housing Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting (SORP) for registered Social Housing Providers 2014, applicable to entities preparing their accounts in accordance with the Financial Reporting Standard (FRS102); or
5. the accounts do not comply with the requirements of the Charities Act 2011.

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.



Tracey Connor, B.S.c., F.C.A.
Chadwick & Company (Manchester) Limited
Chartered Accountants
Statutory Auditors
Capital House
272 Manchester Road
Droylsden
Manchester
M43 6PW

Date: 6/12/19

The Abbeyfield Buckland Monachorum Society Limited
Statement of Comprehensive Income
Year ended 30th September 2019

	Notes	2019 £	2018 £
Turnover	1	145,939	153,264
Operating expenditure		(119,642)	(117,683)
Operating Surplus	2	<u>26,297</u>	<u>35,581</u>
Interest receivable		323	238
Interest and financing costs	6	(6,534)	(6,467)
Surplus before and after taxation being the total comprehensive income for the year		<u>20,086</u>	<u>29,352</u>

Statement of changes in Reserves

	Income and Expenditure Reserve	Restricted Reserve	Total
Balance of Reserves at 30th September 2018	510,034	20,780	530,814
Surplus for the year	20,086	-	20,086
Reserve transfers			
Transfer of restricted income to Restricted Reserve	(6,663)	6,663	-
Balance of Reserves at 30th September 2019	<u>523,457</u>	<u>27,443</u>	<u>550,900</u>

The notes on pages 8 to 12 form part of these financial statements

The Abbeyfield Buckland Monachorum Society Limited
Statement of Financial Position
30th September 2019

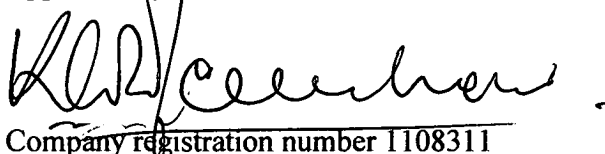
	Notes	2019 £	2018 £
Fixed assets			
Tangible fixed assets - housing property	6	621,914	625,171
Current assets			
Tenant and other debtors	13,979	7,435	
Cash and cash equivalents	76,373	65,057	
	<u>90,352</u>	<u>72,492</u>	
Creditors: amount due within one year	7 <u>16,620</u>	<u>16,461</u>	
Net current assets		<u>73,732</u>	<u>56,031</u>
Total assets less current liabilities		<u>695,646</u>	<u>681,202</u>
Creditors: amounts due after more than one year	7	144,746	150,388
Net Assets		<u>550,900</u>	<u>530,814</u>
Capital and Reserves			
Share Capital		-	-
Income and Expenditure Reserve		523,457	510,034
Restricted Reserve		<u>27,443</u>	<u>20,780</u>
		<u>550,900</u>	<u>530,814</u>

The Directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that the members have not required the company to obtain an audit in accordance with section 476 of the Act.

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 accounts have been prepared in accordance with the provisions in part 15 of the Companies Act 2006 subject to the small companies regime.

K Farnham
Director
Approved by the board on 28th November 2019


Company registration number 1108311

The notes on pages 8 to 12 form part of these financial statements

The Abbeyfield Buckland Monachorum Society Limited
Statement of cash flow
Year ended 30th September 2019

	Notes	2019 £	2018 £
Statement of cash flows			
Cash flows from operating activities			
Surplus for the financial year		20,086	29,352
Adjustments for:			
Depreciation of fixed assets		14,340	13,456
Amortisation of grant		(380)	(380)
Interest payable and financing costs		6,534	6,467
Interest received		(323)	(238)
(Increase) in debtors		(6,544)	(4,602)
Increase in trade creditors		159	722
Net cash generated from operating activities		<u>33,872</u>	<u>44,777</u>
Cash flows from investing activities			
Expenditure on fixed assets - housing property		(11,083)	(22,236)
Interest received		323	238
Net cash used in investing activities		<u>(10,760)</u>	<u>(21,998)</u>
Cash outflows from financing activities			
Interest paid		6,534	6,467
Bank loans repaid		5,262	5,130
Net cash cost from financing activities		<u>11,796</u>	<u>11,597</u>
Net increase in cash and cash equivalents		11,316	11,182
Cash and cash equivalents at beginning of year		<u>65,057</u>	<u>53,875</u>
Cash and cash equivalents at end of year		<u>76,373</u>	<u>65,057</u>

The Abbeyfield Buckland Monachorum Society Limited
Notes to the Accounts
Year ended 30th September 2019

1 Accounting policies

Accounting convention

The accounts have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which includes the Companies Act, Housing and Regeneration Act 2008, FRS 102, the Financial Reporting standard applicable in the United Kingdom and Republic of Ireland, and the Statement of Recommended Accounting Practice (SORP) for Registered Social Housing Providers 2014 ('Accounting by Registered Social Housing Providers 2014'), and the Accounting Direction for Private Registered Providers of Social Housing 2015.

Income

The Society's turnover principally comprises residents' charges receivable from the home. The residents' charges are composite amounts covering rent and service charges. Turnover from lettings is recognised on delivery of services to users, as the Society performs its obligations.

Service charges

The Society adopts either fixed or variable methods for calculating and charging service charges to its residents. Expenditure is recorded when a service is provided and charged to the relevant service charge account or to a sinking fund. Income is recorded based on the estimated amounts chargeable.

Turnover from lettings is recognised on delivery of services to end users, as the Society performs its obligations. Turnover from the sale of units is recognised on completion of sales.

Depreciation

The housing property is depreciated on a straight line basis over the expected useful economic life. The depreciable amount is arrived at on the basis of original cost. Major components are treated as separable assets and depreciated over the expected useful economic life as follows:

Structures	100 years
Roof coverings	50 years
Heating and water systems, kitchens and bathrooms	30 years
Lifts	30 years

Depreciation on tangible fixed assets is charged on a straight line basis so as to write down the value of the asset over its expected economic life as follows:

Carpets	10 years
Furniture and Equipment	5 years

Taxation

Under the provisions of the ITA 2007 CTA 2010, the company is exempt from corporation tax on income and surpluses, where these are applied for charitable purposes. In the opinion of the Directors all income and surpluses of the Society fall within the above exemptions and therefore no liability to corporation tax will arise.

The Society is not registered for VAT purposes and consequentially all income and expenditure is stated gross of Value Added Tax.

The Abbeyfield Buckland Monachorum Society Limited
Notes to the Accounts
Year ended 30th September 2019

Freehold Property

The housing property constructed on land which the Society owns is stated at cost less depreciation. Expenditure on major refurbishment is capitalised where the works increase the net rental stream over the life of the property. All other repair and replacement expenditure is charged to the Statement of Comprehensive Income.

Government grants

Grants received on the construction of the home are accounted for using the accrual model set out in FRS 102 and the Housing SORP 2014. Grants are carried as deferred income in the balance sheet and released to the income and expenditure account on a systematic basis over the the useful economic life of the asset for which it was received.

Where social housing grant funded property is sold the grant is transferred to a recycled capital grant fund until it is reinvested in replacement property. If there is no requirement to recycle or repay the grant on disposal of the assets any unamortised grant remaining within creditors is released and recognised as income within the income and expenditure account.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate.

Loans and short term deposits

These instruments are initially recorded at the transaction price less any transaction costs (historical cost). FRS 102 requires that basic financial instruments are subsequently measured at amortised cost. However, as the difference between the historical cost and amortised basis is not material these financial instruments are stated at historical cost.

Contingent liabilities

A contingent liability is recognised for a possible obligation for which it is not yet confirmed that a present obligation exists that could lead to an outflow of resource; or for a present obligation that does not meet the definitions of a provision or a liability as it is not probable that an outflow of resources will be required to settle the obligation or when a sufficiently reliable estimate of the amount cannot be made.

A contingent liability exists on grant repayment which is dependent on the disposal of related property.

Reserves

Income received, and expenditure incurred, for restricted purposes is separately accounted for within restricted funds. The restricted reserves represent a Reserve established for leasehold residents to meet their share of future long term repairs to the property.

The Abbeyfield Buckland Monachorum Society Limited
Notes to the Accounts continued
Year ended 30th September 2019

Pension costs

The Society operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme. No liability arises at the year end.

Holiday Pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

2 Operating Surplus	2019	2018
This is stated after charging:	£	£
Depreciation of owned fixed assets	<u>14,340</u>	<u>13,456</u>
3 Residential Charges	2019	2018
	£	£
Nominal total charges receivable	154,860	153,824
Losses from vacancies 6.2% (2018 0.9%)	<u>(9,548)</u>	<u>(1,340)</u>
Net receipts from charges 93.8% (2018 99.1%)	<u>145,312</u>	<u>152,484</u>
4 Staff Costs	2019	2018
	£	£
Wages and salaries	52,854	53,139
Pension contributions	<u>1,590</u>	<u>854</u>
	<u>54,444</u>	<u>53,993</u>
Average number of employees		
Full time	1	1
Part time (equivalent full time)	<u>3</u>	<u>3</u>
	<u>4</u>	<u>4</u>
5 Interest Payable	2019	2018
	£	£
Lloyds Bank plc	<u>6,534</u>	<u>6,467</u>

The loan from Lloyds Bank plc is a 20 year term loan repayable by instalments ending in 2035.

The Abbeyfield Buckland Monachorum Society Limited
Notes to the Accounts continued
Year ended 30th September 2019

6 Tangible fixed assets

	Land	Freehold property	Furniture and Equipment	Total
Cost				
1st October 2018	35,000	710,134	69,271	814,405
Additions	-	6,750	4,333	11,083
30th September 2019	<u>35,000</u>	<u>716,884</u>	<u>73,604</u>	<u>825,488</u>
Depreciation				
1st October 2018	-	137,525	51,709	189,234
Charge for year	-	10,605	3,735	14,340
30th September 2019	<u>-</u>	<u>148,130</u>	<u>55,444</u>	<u>203,574</u>
Net book value				
30th September 2019	<u>35,000</u>	<u>568,754</u>	<u>18,160</u>	<u>621,914</u>
30th September 2018	<u>35,000</u>	<u>572,609</u>	<u>17,562</u>	<u>625,171</u>

7 Creditors

	2019	2018
	£	£
Amounts falling due within one year		
Lloyds Bank plc - term loan	11,796	11,796
Accruals and other liabilities	4,824	4,665
	<u>16,620</u>	<u>16,461</u>
Amounts falling due in more than one year		
20 year term loan -Lloyds Bank plc	117,386	122,648
Deferred capital grant (see note 8)	27,360	27,740
	<u>144,746</u>	<u>150,388</u>

The term loan is secured with a mortgage on the property and a fixed and floating charge on the assets of the Society.

8 Deferred capital grant

	2019	2018
	£	£
At 30th September 2018	27,740	28,120
Released to income during the year	380	380
At 30th September 2019	<u>27,360</u>	<u>27,740</u>

The Abbeyfield Buckland Monachorum Society Limited
Notes to the Accounts continued
Year ended 30th September 2019

9 Contingent liabilities

The company received a grant from the Home and Communities Agency which was used to fund the development of the housing property. If the company disposes of the home there is a contingent liability of £10,640 in respect of the grant that might be repayable. This is in addition to the liability of £27,360 recognised in creditors see notes 7 and 8. The total figure of £38,000 represents the grant received on construction of the property in 1992. There are no plans to dispose of the property at this time or in the immediate future.

10 Accommodation in management

Number of beds for full time residents
Number of beds for residents' guests

2019	2018
10	10
1	1
<u>11</u>	<u>11</u>

11 Related party transactions

The Directors of the company benefit from indemnity insurance to cover any liability resulting from any negligence, default or breach in their duty.

One director charged for using his home as an office and related expenses. The amount expended was £1,489 (2018 £1,449). Other directors with businesses they or family members control have charged for services amounting to £2,710 (2018 £723). These were approved by independent directors.

12 Capital commitments

At the year end there were commitments of £nil (2018 £nil)

13 Company information

The Registered office and principal address is Pilchers Field, The Crescent, Crapstone, Yelverton, Devon PL20 7PS. The Society is a company limited by guarantee, company number 01108309, a registered provider of social housing, ref H1335, under the Housing and Regeneration Act 2008, and a registered charity number 266471.