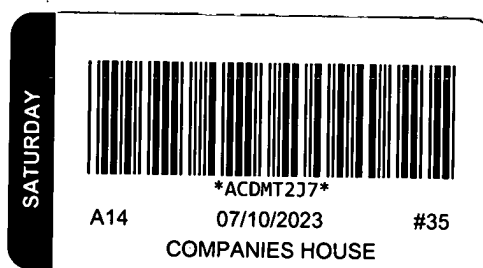


ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Company Registration No. 09008680 (England and Wales)

Charity Registration No. 1160258

Housing and Communities Agency No. 5066



ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
COMPANY INFORMATION

Directors

Dr M J Carter
Professor F A S Francis
A Ashby
I R Hepworth
F J Johnson
I Price
D Smith
N Whitham
A L Hill (Chair)
R G Rawling
Mr T Carroll (Appointed 16 December 2022)
P Myers (Appointed 26 May 2023)
P G Myers (Appointed 26 May 2023)
J Connelly (Appointed 26 May 2023)

Company number

09008680

Registered office

Grove House
12 Riddings Road
Ilkley
LS29 9BF

Auditor

Azets Audit Services
Carlton House
Grammar School Street
Bradford
BD1 4NS

Bankers

Virgin Money
14 Broadway
Bradford
BD1 1EZ

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
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ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The directors present the strategic report for the year ended 31 March 2023.

Review of the business

Abbeyfield The Dales continues to operate residential care, domiciliary extra care, supported housing and independent living services in and around West and North Yorkshire, together with operating several properties owned by The Abbeyfield Society.

Abbeyfield The Dales continues to benefit from a stable, knowledgeable, and experienced board which ensures continuity of governance and oversight, whilst new board members such as Terry Carroll, Pamela and Philip Myers and John Connelly, who were appointed to the board during the year, bring fresh skills and experience to ATD's governance arrangements. Mark Harman resigned from being Chair of Abbeyfield The Dales and Lesley Hill was successfully elected as new Chair. The trustees would like to place on record their appreciation and thanks for his guidance and wise counsel over the past 6 years. And a more recent resignation from Arthur Francis, the Founding Chair of ATD (2014 - 2019), the trustees express their gratitude and appreciation for his valued contribution and counsel over the past 9 years.

The Executive and the Board have made continued progress in making sure that governance and oversight is robust and strengthened through a process of continuous improvement. A sample of some key achievements made during the year are:

- Re-inspection of Fern House with an upgrade in its rating.
- Care Quality and Governance strengthened, each registered service receives an external CQC style inspection and report to enable continued improvement. Registered Managers meet once a month to discuss best practice, current trends, CQC initiatives and share information to ensure consistency across all sites.
- The cash injection from the sale of the garage at Elbolton (April 2023) has enabled future developments and support through turbulent economic and financial times.
- Positive discussions with Homes England about retaining and uses of Recycled Capital Grant Fund (RCGF) are ongoing with 2 proposals to use the RCGF submitted for their approval.
- A higher emphasis on Manager Accountability driven by the Senior Leadership Team is well under way. Managers meet monthly to discuss finances, explain how spend is being controlled, their commitment to increase income monitored and staff management improvement targets.
- A programme to install defibrillators at all our major sites through staff fundraising initiatives.
- Continued high standards of cleanliness meaning all kitchens have retained their 5 star rating following Environmental inspections

Assessment of Year:

- We recently appointed a new Financial Controller (to replace the outgoing Finance Director) to provide scrutiny of cashflow and financial performance who has become a catalyst of not only strengthening our finances but focused stabilising and growing our financial position.
- We invested in staff and rewarded them with an interim pay increase during the year in addition to their annual review to support throughout the cost-of-living crisis, but also to retain employees in a difficult and uncertain jobs market.
- The recruitment team have taken steps to attract and retain the best carers. From pre-interview telephone calls through to matching Abbeyfield values to candidates through value-based alongside experience-based questions.
- There is heavier focus on quality and governance. All registered services now have a quality improvement plan that is reviewed monthly and an annual quality inspection from an external source.
- We continue investment in our buildings so they continue to meet high standards for our residents, but also so that they achieve a higher level of fire safety following on from the new legislation recently brought in.
- We have re-invigorated our activities programme to ensure our residents become more active after the pandemic but also to enjoy and re-engage with their local communities.

The energy and professionalism demonstrated to-date in delivering positive change continues to give cause for optimism.

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Changes during the year

There have been several changes in the current financial year that evidence Abbeyfield The Dales' continued growth, development, consolidation and effective operational management and control; these include:

- Implementation of Person-Centered Software (electronic care planning) The digitalised care plans are generally good and has been received well by staff, however there is some 'fine tuning' required. PCS provides information on care delivered to residents and management reports to monitor performance in real time thus allowing Managers to jump on issues straight away should they arise.
- ATD continues to be a positive presence within the Abbeyfield movement and is recognised in the communities it serves as a quality provider of housing and care. A number of small organisations have already transferred their assets and service to ATD to benefit their residents from this quality service approach. In the current year the trustees of Abbeyfield Burnley unanimously agreed to transfer their 2 properties and assets to ATD. The transfer completed in early April 2023.
- Planning preparation works at St Stephen's, Burnley to install a new platform lift to replace an existing stairlift that breaches fire safety regulations allowing for safe exit out of building in the event of a fire has now progressed to installation with a completion date in Autumn 2023.
- Our external quality monitoring provider has conducted a number of CQC style inspections throughout the year across the sites. The outcomes have had positive scores with Grove House Domiciliary care receiving an "outstanding" which is rare for a well detailed person centered care plan.
- All registered services have a quality improvement audit that is now reviewed monthly. A pro-active approach that determines real time data against CQC reports, identifies trends and grades them accordingly. A registered manager care forum meets monthly to discuss and promote best practice, and to ensure consistent improvement has been achieved in all registered services.
- We have invested in a Rota Management system, time and attendance provided by SONA. This creates visibility of shifts for staff to pick up. The next phase will be to link this with payment, overtime, sickness and holidays.
- Development of the Access database system is in its infancy and its purpose is to replace existing spreadsheets and documents into one single source. Access has already successfully merged all HR files such as staff inductions, recruitment, employee data and training records. There is scope to develop more areas of ATD users using Access going forwards.

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Plans for the future

ATD continues to hold growth ambitions. However, we are being cautious in our approach and planning of any new developments and additions to our portfolio, to allow the organisation to consolidate its operational and financial resources, following the impact over the last 2 years of operating within a very difficult trading environment due to the legacy of the pandemic, and more recently the cost-of-living crisis which has led to significant cost pressures.

The board have agreed a 3 year strategy to develop and focus in 4 key areas.

Care

Confidence that all registered services operate to a 'Good' standard.
Work towards 1 or more registered services becoming 'outstanding' services.
A plan for every service to be rated as 'outstanding'.

People

To incorporate recruitment, retention, and succession.
Leadership development and the fast track of identified quality staff.
Defined reward and benefits for staff.

Business Development

Remain local.
Growth, but retain our family feel.
Senior leaders and central services not distant from our residents.

Technology

Cut wasted time and make things simple.
Improve the quality of the service, and experience received by residents.
Assistive technologies for residents to promote wellbeing and live better for longer.

Some heads of terms have been agreed with Abbeyfield Living Society "ALS" and we are nearing the completion of finalising and signing a lease agreement for the five TAS properties.

We continue to focus on cost control. We look to order stock centrally through our admin team to create better management of spend, strengthen relations with key suppliers, improve compliance, create consistency and standardise processes whilst driving down costs with keener price points.

The Social Housing Grant which was attached to North Park Road and was held for recycling to other permitted uses when the property was sold, needed to be used within 3 years. A small-scale development programme to recycle funds is in progress. We have requested to use some of the balance to fund extensive fire safety works including the installation of a new lift to replace the existing stair lift and make safe the ceiling on the ground floor at St Stephens in Burnley. The work has now started. The remainder will be used on other developments. Architects have agreed to our proposals and will submit a planning application which has a strong chance of approval.

**ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STRATEGIC REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

Going concern

The resources, finances and funds of Abbeyfield The Dales "ATD" has been impacted in many ways throughout the year and this has affected trading performance and our cash position. Managing cash and resources effectively has become a key part of our normal operation, and we have focussed on many areas of our operation to make sure we manage our resources and spending effectively.

Despite the unprecedented challenges of the cost-of-living crisis and inflation, operations and the business are more focused in being financially prudent during these unprecedented conditions. Through the effective use of resources and careful management, the business can look forward to benefiting from 'controlled' operating conditions and thereby, the accounts have been prepared on a going concern basis.

Furthermore, the ATD Board is confident in the prospects of the company and its ability to continue to operate. The membership and strong leadership of The Dales Board will continue to steer the business to benefit all residents and further strengthen governance and financial stewardship.

Risk assessment

The executive work closely with the Trustees in identifying major risks facing the Charity and the services it operates that would have an impact on its ability to continue to provide services, maintain its status as a reputable provider of services and remain financially viable. Strategies and control mechanisms are put in place to mitigate or eliminate the risks identified where appropriate, and these are regularly reviewed by the Board of Trustees.

Volunteers

Finally, I would like to thank all our volunteers, staff and my fellow Trustees/Directors for their help over the year. Our charitable status, the provision of companionship and high standards of support differentiate us from other providers and allow us to clearly position Abbeyfield The Dales as a unique provider of housing and care for older people in our area.

On behalf of the board

A L Hill
A L Hill

PP A L Hill (Chair)
Director/Trustee
8 September 2023

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees of Abbeyfield The Dales Limited, hereafter referred to as ATD, present their report and accounts for the year ended 31 March 2023.

Status

ATD is a company limited by guarantee as defined by the Companies Act 2006 and it is governed by its articles of association. ATD is a registered Social Landlord with solely charitable objectives and it is a registered charity.

Results

The consolidated income and expenditure account for the year is set out on page 13.

Trustees

The Trustees who are also the Directors for the purpose of Company Law, and who served during the year and up to the date of signature of the financial statements were:

A L Hill (Chair)
M Harman (Resigned 26 May 2023)
F A S Francis (Resigned 28 July 2023)
D Smith (Deputy Chariman)
N Whitham
Dr M Carter
A Ashby
I R Hepworth (Company Secretary)
F J Johnson
I Price
T P Carroll (Appointed 16 December 2022)
Dr R G Rawling
J Connelly (Appointed 26 May 2023)
P Myers (Appointed 26 May 2023)
P G Myers (Appointed 26 May 2023)

ATD has insurance to indemnify the Board of Trustees against any liability when acting on its behalf.

Auditors

Azets Audit Services were appointed to the company following their acquisition of Naylor Wintersgill Limited on 1 May 2023 and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Objectives of the Society

ATD's objectives are:

- To offer a safe and happy environment for Abbeyfield residents and other users of the facilities.
- To maintain charges to residents at a level that can be afforded by all those wanting sheltered accommodation after allowing for Housing Benefits.
- To make a sufficient financial surplus to enable the housing stock to remain in good repair and to enable investment in new schemes to be funded.

The Trustees are committed to furthering ATD's objects through the provision of high quality, affordable housing and housing management support for the over 55s. In doing so, the Trustees monitor the extent of resources of ATD to ensure that the cost of running and maintaining the facilities and the ability of residents to make payments from their own resources or receive the required public funding is in balance and this is central to their decision making. The Trustees continue to monitor ATD's operations and planning to ensure continued adherence to The Charity Commission's public benefit guidance, including its guidance on fee-charging.

The Trustees will continue to ensure services are available and affordable for individuals whilst not compromising on the quality of the service we provide.

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Abbneyfield Services: A Reflection on 2022 - 2023

Abbneyfield The Dales has had another challenging year. Although the effect of Covid-19 has reduced and the legacy can still be felt within the organisation, 2022-23 brought its own fresh challenges with the cost-of-living crisis and the continuing rise in inflation and interest rates, making our financial position tight and subject to significant cost pressures.

Measures were taken to minimise the rising costs of energy supplies early in the year and we continue to look for ways to reduce all costs without compromising on quality and the service we deliver.

We have tighter control of costs where we have seen significant rises such as food inflation where delivering quality and dining experience is an important part of the service to residents.

Although savings and tighter control on costs have been our main focus, it was equally important to meet the needs of our dedicated staff. An interim pay increase in the year was approved by the board to support staff through the cost-of-living crisis, but also to retain employees in a difficult and uncertain jobs market.

Interest rates have been increased by the Bank of England 14 consecutive times since December 2021 and this has had a significant impact on loan repayments which has depleted our cash reserves. Due to the volatility, and looking forward to the ongoing uncertainty, a decision was made to fix interest rates on part of an existing loan on the 31st May 2023 to provide more certainty and stability on future repayments.

In line with board strategy, we continue to look at expanding our portfolio and innovative ways to generate cash and reinvest. ATD sold the unused garage at Elbolton and completed an asset transfer of 2 properties from Abbneyfield Burnley. The majority happened within the year but completed after the year end.

After some unprecedented years of trading and operating conditions, our aim is to focus on improving our service quality and business performance to ensure Abbneyfield the Dales is ready for the next chapter of its journey in fulfilling its objectives.

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The table below outlines the numbers of available units and the services provided at each of the properties managed by the ATD:

	Independent Living	Supported Housing	Housing With Care	Residential Care
Property Owned				
Fern House, Bingley			49	30
Grove House, Ilkley			42	16
The Beeches Menston			28	
Kirkview, Shipley	7			
Woodview, Saltaire	5			
School Street, Pudsey	6			
Elbolton, Grassington		12		
Abbeyfield Court, Ilkley	13			
Abbeyfield Lodge, Ilkley	5			
Pawson Cottage Homes, Ilkley	8			
Charles Edward Sugden Alms House	7			
	<u>51</u>	<u>12</u>	<u>119</u>	<u>46</u>
Managed Properties				
Leyland's Lane, Heaton	4			
Ing Royde, Halifax			30	
Abbeyfield House, Settle		12		
Abbeyfield House, Barnoldswick		12		
Woodlands, Skipton			31	
	<u>4</u>	<u>24</u>	<u>61</u>	<u>0</u>

Our Day Care Centre Services across Fern House and Grove House facilitate 25 and 15 service users respectively each week.

ABBNEYFIELD THE DALES LIMITED

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Organisational and Decision-Making Structure

The ultimate accountability for ATD lies with the Board of Trustees, who are responsible for the oversight and stewardship of ATD in ensuring the decision making of the executive and governance is in the best interests of the residents it serves, meets the core principles of ATD and meets current legislation and best practice.

The Board of Trustees is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and for taking reasonable steps for the detection and prevention of fraud and irregularities.

There are four committees of the board, each with terms of reference approved by the board and they help to support the board in the exercise of due diligence and detailed scrutiny. The committees are as follows:

- Audit and Risk Committee which applies scrutiny to risk management, financial controls, management accounts, operating budgets, the statutory financial statements and oversees the external audit relationship.
- Remuneration Committee which scrutinises and approves the remuneration policy, pay differentials and the annual pay award; including the remuneration package of the Chief Executive and the Senior Leadership Team.
- Quality Governance Committee which oversees arrangements for all aspects of quality governance and provides board assurance concerning the provision of evidence based high quality care and regulatory compliance, supports the board and management team in delivering a culture of continuous improvement and oversees the systems and processes by which this outcome is achieved, including organisational learning in compliance with best practise.
- Business Development Committee which supports the board to enable ATD to realise its growth ambitions by evaluating new opportunities or projects and applying assessment criteria which ensures that only initiatives that are consistent with the Abbeyfield The Dales principles, are financially robust and affordable within the business plan and existing skill sets are recommended to and adopted by board.

Related Parties

The governance and structure of the Abbeyfield Movement (of which ATD is an affiliated member) is being restructured to recognise that Abbeyfield is a Global Movement. Part of this has been through the formation of national bodies. ATD is now part of Abbeyfield England which in turn is governed by a world council.

ABBNEYFIELD THE DALES LIMITED **(A COMPANY LIMITED BY GUARANTEE)** **TRUSTEES' REPORT**

FOR THE YEAR ENDED 31 MARCH 2023

Value for Money

Value for Money is about being effective in how we plan, manage and operate Abbeyfield The Dales. It requires providing a high quality service to our residents to enhance their lives, in line with the Abbeyfield guiding principles, by making the best use of resources available to us.

The Regulator of Social Housing (RSH) issued a new Value for Money Standard in April 2017, and a technical note in April 2018. These identified 7 metrics which providers of social housing are expected to report their performance against in their annual report. The latter document acknowledges that the metrics will not necessarily be appropriate for all providers and any influencing factors should be explained in the commentary.

	Metric	Note	2023	2022
1.	Reinvestment %	A	1%	1%
2.	New supply delivered	B		
	- Social housing units		1%	1%
	- Non-social housing units		0%	0%
3.	Gearing %	C	29.80%	30.75%
4.	EBITDA MRI interest cover %	D	158%	126%
5.	Headline social cost per unit	E	£35,495	£32,959
6.	Operating margin %	F		
	- Social housing units		4.29%	4.54%
	- overall		4.29%	4.54%
7.	Return on capital employed	G	1.41%	1.24%

- Reinvestment % - the investment in properties (existing stock and new supply) as a percentage of the value of total properties held.
- New supply delivered (social housing units)% - the number of new social housing units delivered as a proportion of total social housing units owned.
- Gearing % - net debt as a percentage of the value of properties held.
- EBITDA MRI interest cover % - the level of surplus generated compared to the interest payable.
- Headline social housing cost per unit - social housing costs (as defined by the regulator) divided by the total units owned and/or managed.
- Operating margin (social housing lettings only) % - operating surplus/(deficit) from social housing lettings divided by turnover from social housing lettings,
 - Operating margin (overall) % - overall operating surplus/(deficit) divided by overall turnover.
- Return on capital employed (ROCE)% - compares the overall operating surplus to total assets less current liabilities.

Note

- A Reinvestment has been kept to a minimum during the year due to focus on recovering of finance due to the detrimental impact of the Covid-19 pandemic and Cost of Living Crisis on our finances. A modest development programme is being planned, commencing in 2023
- B Reinvestment has been kept to a minimum during the year due to focus on recovering of finance due to the detrimental impact of the Covid-19 pandemic and Cost of Living Crisis on our finances. A modest development programme is being planned, commencing in 2023
- C ATD has loan finance and this is being repaid over a 25 year term.
- D Interest cover has increased as a result of the increased profitability this year.
- E The increase in headline social cost per unit is driven by increased costs as a result of the current economic climate. Cost per unit for most residents includes the cost of providing 2 meals each day, which is a condition of tenancy, and is unusual for registered social landlords.
- F & G Operating margin has remained stable during the year.

Code of Governance

The Board of Trustees and CE manage the affairs of ATD in accordance with the guidelines of the Charity Commission and are working towards best practice guidelines from the National Housing Federation. The Board also ensure that ATD adheres to all legislation and best practice stipulated by all regulators, namely the Regulator of Social Housing, Care Quality Commission, Health and Safety Executive and Fire Officers.

ABBNEYFIELD THE DALES LIMITED

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The Contribution of Volunteers

All Abbeyfield Society affiliated companies remain committed to one of its founding principles of involving volunteers in support of the daily operation of the services delivered to residents. The volunteer ethos remains strong within ATD and the breadth of volunteers provide a significant and positive contribution to the welfare and companionship of residents and in the running of some activities that benefit residents. The volunteer network remains strong in ATD and the Board of Trustees wish to place on record their appreciation for the efforts and dedication of all its volunteers.

Statement of Trustees' Responsibilities

The Board of Trustees is responsible for preparing the Strategic Report, Trustees' Report and the financial statements in accordance with all applicable law and regulation.

Company law requires the Board of Trustees to prepare financial statements for each financial year. Under that law, the Board of Trustees have elected to prepare financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice, United Kingdom Accounting Standards and applicable law, and have adhered to valuation of its fixed assets and treatment of Social Housing Grant as specified in FRS102 and the Housing SORP 2018. Under Company Law, the Board of 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 company profit and loss for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the group and enable them to ensure the financial statements comply with Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the group and hence for taking reasonable steps for the prevention and detection of fraud and irregularities.

Statement of the Society's System of Internal Financial Control

The Board of Trustees is responsible for the ATD's system of internal financial control. It recognises that such a system can provide reasonable but not absolute assurance against material misstatement or loss.

The main features of the internal control system are:

- A risk register and actions being taken to mitigate those risks that is reviewed by The Board each quarter to test that all risks are covered and the suitability of actions being taken;
- Standing orders and financial regulations which delineate responsibilities and levels of authorities;
- Annual budgets that are set for each property in the context of a longer-term plan with clear accountability for control of the budget;
- Annual review of risk management;
- Formal recruitment, induction, employment policies and checks;
- The Board's reviews and approval of all updates and amendments to policies and procedures.
- Monthly management accounts, key performance indicator reporting and explanation to the Executive and The Board of Trustees;
- A planned works programme that will inform the planning of future investment decisions and funding requirements;
- Trustee approval of the parameters under which investment in properties is made.
- The application of additional scrutiny and guidance from the audit and risk committee and the remuneration committee.

The Trustees regularly review the effectiveness of the system of internal financial controls and ensure practices are amended to strengthen financial and operational control where necessary.

**ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT**

FOR THE YEAR ENDED 31 MARCH 2023

Statement of disclosure to auditor

So far as each person who was a Trustee at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as Trustees in order to make themselves aware of all relevant audit information and to establish that the auditor of the Company is aware of that information.

On behalf of the board

A R. Heyworth
A L Hill (Chair)
Director and Trustee
8 September 2023
12 HILLWORTH

**ABBEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF ABBEYFIELD THE DALES LIMITED

Opinion

We have audited the financial statements of Abbeyfield the Dales Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the group profit and loss account, the group balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2023 and of the group's loss 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 group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

**ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF ABBNEYFIELD THE DALES LIMITED**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 control as the directors 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 directors are responsible for assessing the parent company'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 parent company 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**ABBEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF ABBEYFIELD THE DALES LIMITED**

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

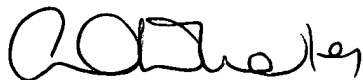
In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Alison Whalley (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

8 September 2023

Accountants
Statutory Auditor

Carlton House
Grammar School Street
Bradford
BD1 4NS

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
GROUP PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Turnover	3	7,628,574	6,737,206
Operating costs		(7,458,792)	(7,002,096)
Other operating income		160,126	583,612
Gross surplus	5	329,908	318,722
Interest receivable and similar income	6	234	9,595
Interest payable and similar expenses	7	(363,172)	(202,137)
(Loss)/profit before taxation		(33,030)	126,180
Tax on (loss)/profit	9	(990)	(462)
(Loss)/profit for the financial year		<u>(34,020)</u>	<u>125,718</u>

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
GROUP AND COMPANY BALANCE SHEETS

AS AT 31 MARCH 2023

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Fixed assets					
Tangible assets	10	25,386,924	25,594,012	24,396,685	24,629,954
Investments	11	51,111	91,627	6	6
		<u>25,438,035</u>	<u>25,685,639</u>	<u>24,396,691</u>	<u>24,629,960</u>
Current assets					
Debtors	14	328,838	361,317	320,585	359,038
Cash at bank and in hand		403,264	439,387	305,392	363,948
		<u>732,102</u>	<u>800,704</u>	<u>625,977</u>	<u>722,986</u>
Creditors: amounts falling due within one year	15	<u>(1,032,778)</u>	<u>(945,871)</u>	<u>(1,012,957)</u>	<u>(925,753)</u>
Net current liabilities		<u>(300,676)</u>	<u>(145,167)</u>	<u>(386,980)</u>	<u>(202,767)</u>
Total assets less current liabilities		<u>25,137,359</u>	<u>25,540,472</u>	<u>24,009,711</u>	<u>24,427,193</u>
Creditors: amounts falling due after more than one year	17	<u>(14,567,330)</u>	<u>(14,936,423)</u>	<u>(14,315,393)</u>	<u>(14,676,206)</u>
Net assets		<u>10,570,029</u>	<u>10,604,049</u>	<u>9,694,318</u>	<u>9,750,987</u>
Capital and reserves					
Designated reserves	19	3,306	2,755	-	-
Profit and loss reserves	19	10,566,723	10,601,294	9,694,318	9,750,987
Total equity		<u>10,570,029</u>	<u>10,604,049</u>	<u>9,694,318</u>	<u>9,750,987</u>

As permitted by s408 Companies Act 2006, the Company has not presented its own profit and loss account and related notes. The Company's loss for the year was £56,669 (2022 £113,858 profit).

The financial statements were approved by the board of directors and authorised for issue on 8 September 2023 and are signed on its behalf by:

la R. Hapworth
12 HEPWORTH

py A L Hill (Chair)
Director

Company Registration No. 09008680

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Designated reserves	Profit and loss reserves	Total
	£	£	£
Balance at 1 April 2021	2,200	10,476,131	10,478,331
Year ended 31 March 2022:			
Profit and total comprehensive income	-	125,718	125,718
Transfers	555	(555)	-
Balance at 31 March 2022	2,755	10,601,294	10,604,049
Year ended 31 March 2023:			
Loss and total comprehensive income		(34,020)	(34,020)
Transfers	551	(551)	-
Balance at 31 March 2023	3,306	10,566,723	10,570,029

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Profit and loss reserves £
Balance at 1 April 2021	9,637,129
Year ended 31 March 2022:	
Profit and total comprehensive income for the year	113,858
Balance at 31 March 2022	9,750,987
Year ended 31 March 2023:	
Loss and total comprehensive income for the year	(56,669)
Balance at 31 March 2023	9,694,318

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	22	711,170		476,972	
Interest paid		(363,172)		(202,137)	
Income taxes paid		(462)		(1,409)	
Net cash inflow from operating activities		<u>347,536</u>		<u>273,426</u>	
Investing activities					
Purchase of tangible fixed assets		(190,433)		(173,904)	
Proceeds from disposal of investments		40,516		(8,540)	
Interest received		168		507	
Dividends received		581		2,874	
Other income received from investments		(515)		6,214	
Net cash used in investing activities		<u>(149,683)</u>		<u>(172,849)</u>	
Financing activities					
Repayment of bank loans		(233,976)		(325,034)	
Net cash used in financing activities		<u>(233,976)</u>		<u>(325,034)</u>	
Net decrease in cash and cash equivalents		<u>(36,123)</u>		<u>(224,457)</u>	
Cash and cash equivalents at beginning of year		439,387		663,844	
Cash and cash equivalents at end of year		<u><u>403,264</u></u>		<u><u>439,387</u></u>	

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	23	671,692		441,235	
Interest paid		(354,566)		(194,479)	
Net cash inflow from operating activities		<u>317,126</u>		<u>246,756</u>	
Investing activities					
Purchase of tangible fixed assets		(145,433)		(152,991)	
Interest received		142		505	
Net cash used in investing activities		<u>(145,291)</u>		<u>(152,486)</u>	
Financing activities					
Receipt/(repayment) of bank loans		(230,391)		(271,996)	
Net cash used in financing activities		<u>(230,391)</u>		<u>(271,996)</u>	
Net decrease in cash and cash equivalents		<u>(58,556)</u>		<u>(177,726)</u>	
Cash and cash equivalents at beginning of year		363,948		541,674	
Cash and cash equivalents at end of year		<u><u>305,392</u></u>		<u><u>363,948</u></u>	

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Abbeyfield the Dales Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Grove House, 12 Riddings Road, Ilkley, LS29 9BF.

The group consists of Abbeyfield the Dales Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The consolidated group financial statements consist of the financial statements of the parent company Abbeyfield the Dales Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company 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 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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:

Building structure	1% on cost
Roofs	2% on cost
Windows and doors	2% on cost
Kitchens and bathrooms	3.33% on cost
Lifts	6.67% on cost
Fixtures, fittings and equipment	20% on cost
Computers	33.33% on cost
Motor vehicles	20% on cost

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 the profit and loss account.

1.5 Fixed asset investments

Equity investments are measured at fair value, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.6 Impairment of fixed assets

At each reporting period end date, the group 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the profit or loss accounts, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.8 Financial instruments (continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

1.13 Reserves

Revenue reserve

The revenue is an accumulation of all surplus and deficits arising from the company's ordinary operations including any donations and legacies received free of any restrictions. These funds are freely available for use by the company.

Designated reserves

Designated reserves relate to funds set aside by the Trustees for specific purposes.

2 Judgements and key sources of estimation uncertainty

In the application of the group'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.

3 Turnover and other revenue

	2023	2022
	£	£
Turnover analysed by class of business		
Social housing rentals	4,313,732	3,808,519
Residential care fees	1,963,495	1,627,079
Domicillary care income	1,164,452	1,148,241
Day centre charges	68,548	50,502
Ground rents and maintenance	8,208	6,203
Other activities and sundry income	93,708	39,612
Recharge of costs and services	16,431	57,050
	<u>7,628,574</u>	<u>6,737,206</u>
	2023	2022
	£	£
Other significant revenue		
Donations received	6,792	29,348
Donation of Elbolton	-	18,677
Dividends received	-	581
Grants received	151,652	457,699
Insurance income	1,682	-
Overage received	-	77,888
	<u>160,126</u>	<u>583,612</u>

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

3 Turnover and other revenue **(Continued)**

	2023	2022
	£	£
Turnover analysed by geographical market		
United Kingdom	7,628,574	6,737,206

4 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2023 Number	2022 Number	Company 2023 Number	2022 Number
Operational	227	225	227	225
Governance and support	17	18	17	18
Total	244	243	244	243

Their aggregate remuneration comprised:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Wages and salaries	5,050,575	4,771,194	5,050,575	4,771,194

5 Gross surplus

	2023 £	2022 £
Operating profit for the year is stated after charging/(crediting):		
Government grants	(151,652)	(457,669)
Depreciation of owned tangible fixed assets	397,517	412,159

6 Interest receivable and similar income

	2023 £	2022 £
Interest income		
Interest on bank deposits	168	507
Other income from investments		
Dividends received	581	2,874
Gains on financial instruments measured at fair value through profit or loss	(515)	6,214
Total income	234	9,595

ABBNEYFIELD THE DALES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

7 Interest payable and similar expenses

	2023	2022
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	363,172	202,137
	<u>363,172</u>	<u>202,137</u>

8 Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	18,600	17,433
Audit of the financial statements of the company's subsidiaries	7,800	1,920
	<u>26,400</u>	<u>19,353</u>

9 Taxation

	2023	2022
	£	£
Current tax		
UK corporation tax on profits for the current period	990	462
	<u>990</u>	<u>462</u>

The actual charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023	2022
	£	£
(Loss)/profit before taxation	(33,030)	126,180
	<u>(33,030)</u>	<u>126,180</u>
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	(6,276)	23,974
Tax effect of expenses that are not deductible in determining taxable profit	7,266	-
Tax effect of income not taxable in determining taxable profit	-	(23,512)
	<u>990</u>	<u>462</u>
Taxation charge	990	462

ABBNEYFIELD THE DALES LIMITED
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FOR THE YEAR ENDED 31 MARCH 2023

10 Tangible fixed assets

Group	Building structure	Roofs	Lifts	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2022	25,677,284	1,537,961	484,668	1,033,280	12,335	28,745,528
Additions	61,126	3,960	834	124,512	-	190,432
At 31 March 2023	25,738,410	1,541,921	485,502	1,157,792	12,335	28,935,960
Depreciation and impairment						
At 1 April 2022	1,987,281	159,654	155,794	846,320	2,467	3,151,516
Depreciation charged in the year	277,829	30,759	32,298	54,167	2,467	397,520
At 31 March 2023	2,265,110	190,413	188,092	900,487	4,934	3,549,036
Carrying amount						
At 31 March 2023	23,473,300	1,351,508	297,410	257,305	7,401	25,386,924
At 31 March 2022	23,690,003	1,378,307	328,874	186,960	9,868	25,594,012

Company	Building structure	Roofs	Lifts	Fixtures, fittings and equipment	Computers	Total
	£	£	£	£	£	£
Cost						
At 1 April 2022	24,682,322	1,537,961	484,667	956,096	12,335	27,673,381
Additions	61,126	3,960	835	79,512	-	145,433
At 31 March 2023	24,743,448	1,541,921	485,502	1,035,608	12,335	27,818,814
Depreciation and impairment						
At 1 April 2022	1,897,445	159,654	155,794	828,067	2,467	3,043,427
Depreciation charged in the year	264,129	30,759	32,298	49,049	2,467	378,702
At 31 March 2023	2,161,574	190,413	188,092	877,116	4,934	3,422,129
Carrying amount						
At 31 March 2023	22,581,874	1,351,508	297,410	158,492	7,401	24,396,685
At 31 March 2022	22,784,877	1,378,307	328,873	128,029	9,868	24,629,954

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FOR THE YEAR ENDED 31 MARCH 2023

11 Fixed asset investments

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Investments in subsidiaries	12	-	-	6	6
Unlisted investments		51,111	91,627	-	-
		<u>51,111</u>	<u>91,627</u>	<u>6</u>	<u>6</u>

Movements in fixed asset investments
Group

Cost or valuation

At 1 April 2022	Investments £
Valuation changes	91,627
Disposals	(516)
	<u>(40,000)</u>

At 31 March 2023	<u>51,111</u>
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Carrying amount

At 31 March 2023	<u>51,111</u>
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At 31 March 2022	<u>91,627</u>
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Movements in fixed asset investments
Company

Cost or valuation

At 1 April 2022 and 31 March 2023	Shares in subsidiaries £
	6

Carrying amount

At 31 March 2023	<u>6</u>
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At 31 March 2022	<u>6</u>
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12 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Abbeyfield Court Limited	England	Ordinary	100
Abbeyfield Lodge (Ilkley) Limited	England	Ordinary	100
Pawson Cottages Homes	England	Trustee	100
Charles Edward Sugden's Almshouses	England	Trustee	100

ABBNEYFIELD THE DALES LIMITED
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13 Financial instruments

	Group	2022	Company	2022
	2023		2023	
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	141,958	141,601	142,140	150,826
Instruments measured at fair value through profit or loss	51,111	91,627	-	-
	<u>51,111</u>	<u>91,627</u>	<u>-</u>	<u>-</u>
Carrying amount of financial liabilities				
Measured at amortised cost	8,613,687	8,782,278	8,465,139	8,623,491
	<u>8,613,687</u>	<u>8,782,278</u>	<u>8,465,139</u>	<u>8,623,491</u>

14 Debtors

	Group	2022	Company	2022
	2023		2023	
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	112,814	121,347	112,374	119,157
Other debtors	29,144	20,254	29,766	31,669
Prepayments and accrued income	186,880	219,716	178,445	208,212
	<u>328,838</u>	<u>361,317</u>	<u>320,585</u>	<u>359,038</u>

15 Creditors: amounts falling due within one year

		Group	2022	Company	2022
		2023		2023	
	Notes	£	£	£	£
Bank loans	18	128,364	286,980	125,716	283,395
Trade creditors		392,464	339,049	383,153	333,603
Amounts owed to group undertakings		-	-	10,180	3,263
Corporation tax payable		990	462	-	-
Other taxation and social security		63,810	69,427	63,810	69,427
Government grants	16	116,406	109,004	109,640	109,004
Other creditors		210,792	37,191	210,792	34,988
Accruals and deferred income		119,952	103,758	109,666	92,073
		<u>1,032,778</u>	<u>945,871</u>	<u>1,012,957</u>	<u>925,753</u>

16 Deferred grants

	Group	2022	Company	2022
	2023		2023	
	£	£	£	£
Arising from government grants	6,921,621	7,030,127	6,799,401	6,909,041
	<u>6,921,621</u>	<u>7,030,127</u>	<u>6,799,401</u>	<u>6,909,041</u>

ABBNEYFIELD THE DALES LIMITED
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FOR THE YEAR ENDED 31 MARCH 2023

16 Deferred grants

(Continued)

Deferred income is included in the financial statements as follows:

Current liabilities	116,406	109,004	109,640	109,004
Non-current liabilities	6,805,215	6,921,123	6,689,761	6,800,037
	<u>6,921,621</u>	<u>7,030,127</u>	<u>6,799,401</u>	<u>6,909,041</u>

17 Creditors: amounts falling due after more than one year

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans and overdrafts	18	7,762,115	7,837,475	7,625,632	7,698,344
Government grants	16	6,805,215	6,921,123	6,689,761	6,800,037
Other creditors		-	177,825	-	177,825
		<u>14,567,330</u>	<u>14,936,423</u>	<u>14,315,393</u>	<u>14,676,206</u>

18 Loans and overdrafts

	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans	<u>7,890,479</u>	<u>8,124,455</u>	<u>7,751,348</u>	<u>7,981,739</u>
Payable within one year	128,364	286,980	125,716	283,395
Payable after one year	<u>7,762,115</u>	<u>7,837,475</u>	<u>7,625,632</u>	<u>7,698,344</u>

The long-term loans are secured by fixed charges over the Freehold property in the group.

During the year year ended 31 March 2020 the Company obtained two new financial loans. Both loans are over 25 years and the interest rate is 2.2% above base rate.

19 Reserves

Designated reserves

Designated reserves relates to funds set aside for future repairs and decorating costs at Abbeyfield Lodge.

20 Financial commitments, guarantees and contingent liabilities

In prior years Abbeyfield the Dales Group have received grant income to assist in the purchase of the properties included in fixed assets. The grant income is included in the financial statements over the useful life of the properties. Should these properties be sold, the grants will become repayable. The total amount of grants received amounts to £7,897,563, of this £6,914,855 is included in deferred income, there is therefore a potential further liability of £982,708.

ABBNEYFIELD THE DALES LIMITED
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FOR THE YEAR ENDED 31 MARCH 2023

21 Events after the reporting date

On 5 April 2023 the Company sold a surplus garage at Elbolton for £244,721.

Also on 5 April 2023 the assets of Abbeyfield Burnley, including two properties, were transferred to Abbeyfield the Dales.

22 Cash generated from group operations

	2023	2022
	£	£
(Loss)/profit for the year after tax	(34,020)	125,718
Adjustments for:		
Taxation charged	990	462
Finance costs	363,172	202,137
Investment income	(234)	(9,595)
Depreciation and impairment of tangible fixed assets	397,520	412,157
Movements in working capital:		
Decrease/(increase) in debtors	32,479	(99,223)
Increase/(decrease) in creditors	59,769	(42,864)
Decrease in deferred income	(108,506)	(111,820)
Cash generated from operations	<u>711,170</u>	<u>476,972</u>

23 Cash generated from operations - company

	2023	2022
	£	£
(Loss)/profit for the year after tax	(56,670)	113,857
Adjustments for:		
Finance costs	354,566	194,479
Investment income	(142)	(505)
Depreciation and impairment of tangible fixed assets	378,702	395,358
Movements in working capital:		
Decrease/(increase) in debtors	38,454	(97,744)
Increase/(decrease) in creditors	66,422	(55,206)
Decrease in deferred income	(109,640)	(109,004)
Cash generated from operations	<u>671,692</u>	<u>441,235</u>