Charity registration number SC015946 (Scotland)

Registered society number 2124RS

ABBEYFIELD BALLACHULISH SOCIETY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

ABBEYFIELD BALLACHULISH SOCIETY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Executive committee	J McLaren MBE K Marshall S Kennedy D Smith P McCready S McIntyre J Moncreiff I Brown
Senior management	Louise Duffy
Charity number (Scotland)	SC015946
Registered society number	2124RS
Principal address	Park Road Ballachulish Highland PH49 4JS
Auditors	Azets Audit Services Statutory Auditor Chartered Accountants 1 Titanium King's Inch Place Renfrew PA4 8WF
Accountants	Total Accounting Ltd Moncrieff House 10 Moncrieff House Paisley PA3 2BE
Bankers	Royal Bank of Scotland 6 High Street Fort William PH33 6AS
Solicitors	Macintyre & Co 38 High Street Fort William PH33 6AT

ABBEYFIELD BALLACHULISH SOCIETY LIMITED

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ABBEYFIELD BALLACHULISH SOCIETY LIMITED

REPORT OF THE EXECUTIVE COMMITTEE

FOR THE YEAR ENDED 30 SEPTEMBER 2025

The Executive Committee, who are the Trustees for the purpose of charity law, present their annual report together with the financial statements of the charity for the year ending 30 September 2025.

The financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), its constitution, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

Abbeyfield Ballachulish is established for the purpose of managing Abbeyfield House at Park Road Ballachulish, which provides nursing care, residential care, day care and general housing for older people. Its objectives are:

To provide a structured quality service using professional assessment skills, personal and holistic care planning, reviewing, monitoring and evaluating constantly to improve the service.

To facilitate regular client meetings and committee meetings to provide a democratic system for suggestions and active involvement in the running of Abbeyfield Ballachulish.
Its aims are to:

- promote and maintain a high quality of life for the service users;
- promote a comfortable, secure, homely and welcoming environment for all service users;
- encourage independence and retain individuality;
- actively promote service users' rights as citizens, allowing dignity, privacy and choice;
- involve service users in the active running of all services and in any major decisions regarding this;
- maintain access to and involvement in the wider community of South Lochaber;
- encourage family and friends to visit and assist in personal care; and
- promote anti discriminatory practice.

Activities

Care Home Service

The Care Home has 35 self-contained, modern en-suite bedrooms providing a mixture of residential, dementia and nursing care according to service user's needs. A further 2 bedrooms are available for the provisions of intermediate care, working in partnership with NHS Highland. The service operates on a 24-hour seven day a week basis giving a very high standard of care to all its service users.

Day Care

The day care centre caters for up to 10 service users daily Monday to Friday. It is open to all members of our local community particularly those, but not exclusively, with assessed needs through Health & Social Care - private service users are welcome. There are a diverse range of activities at the day care centre and we endeavour to meet the preferences, interest and needs of all those who attend.

Medical Services

As well as 24 hours nursing services Abbeyfield Ballachulish provides medical support services through a range of clinics in partnership with NHS Highland. These are for podiatry, dietary and hearing impairment services. All service users have, where appropriate, ready access to other services as well, which include care & repair services, occupational health and aids and equipment. There are also diabetic and mental health clinics which, where necessary, are held with the support of a video conferencing facility which offers live links to hospital clinics and consultants.

The local General Practitioner surgery is within walking distance of the building and offers a dispensing service when required. Community nursing services are located in the building and support the nursing services provided to our residential clients and those attending from the community to day care.

ABBEYFIELD BALLACHULISH SOCIETY LIMITED

REPORT OF THE EXECUTIVE COMMITTEE

FOR THE YEAR ENDED 30 SEPTEMBER 2025

Achievements and performance

Significant activities and achievements against objectives

The Trustees consider that the performance of the company this year continues at a satisfactory level.

Room occupancy during the year was 99% and this level has been maintained. The general houses had for older clients currently occupied an occupancy rate for the year of 100%.

During the year, the management and Trustees continued to make progress in delivering a competent care service for the Ballachulish community and the surrounding area. The December 2022 inspection by the Care Inspectorate graded the care home with grade 5 in the two areas inspected namely wellbeing and leadership, with the remaining three areas still graded at 6. Day care has not been inspected since 2019 and remains at grade 6.

A full report for all services at Abbeyfield Ballachulish can be found at http://www.careinspectorate.com. The charity continues to work very closely with NHS Highland, Health and Social Care and the Care Inspectorate to ensure that a high standard of care is delivered to older people in the community.

Financial review

The statement of financial activities shows a surplus for the year of £180,571 (2024 £204,422). At the end of the year, the accumulated funds amounted to £4,197,971 (2024 £4,017,400).

Reserves policy

The present level of funding is adequate to support the continuation of Abbeyfield Ballachulish and the Trustees consider the financial position requires continuous monitoring to ensure the society remains viable.

Internal financial controls

The Trustees are responsible for the Society's system of internal financial control and have reviewed its effectiveness from information provided by management staff. Any system can only provide reasonable and not absolute assurance against material misstatement or loss. The financial control system within the Society is fundamentally simple and appropriate to the size and complexity of the organisation. It includes a combination of regular review of financial results compared with an agreed budget and authorisation of all expenditure by senior staff and the Trustees.

Investment policy

Under the memorandum and articles of association, the society has the power to make any investments which the Trustees see fit.

Major risks

The Trustees actively review the major risks which the company faces and believe that by maintaining reserves at about the current levels, combined with an annual review of expenditure and income they will retain control of the finances.

The trustees have also examined other operational and business risks faced by the company and confirm that they have established systems to mitigate any significant risks.

Plans for future periods

The Trustees will continue to explore viable options which will help to increase income streams and reduce costs

Structure, governance and management

Charity constitution and governing document

The charity is constituted as a 'Registered Society' registered under the Co-operative and Community Benefit Societies Act 2014. The liability of members is limited to £1. The society was incorporated with solely charitable objects, and is governed by its rules. The company is recognised as a charity by the Office of the Scottish Charity Regulator, its reference number being SC015946.

ABBEYFIELD BALLACHULISH SOCIETY LIMITED

REPORT OF THE EXECUTIVE COMMITTEE

FOR THE YEAR ENDED 30 SEPTEMBER 2025

The Members, who are also the Trustees for the purpose of the charity law, and who served during the year and up to the date of signature of the financial statements were:

J McLaren MBE
K Marshall
S Kennedy
D Smith
P McCready
S McIntyre
J Moncreiff
I Brown

Recruitment and appointment of Members
Organisational structure
The Members of the Executive Committee, who are also charity trustees for the purpose of charity law. The election of Members to the Committee is in accordance with the rules of the Society.

The maximum number of Members at any time is 9.

At each general meeting all Members who have been appointed by the Members since the last annual general meeting are required to retire from office, but are then eligible for re-election. Out of the remaining Members, one-third is required to retire annually from office but are eligible for re-election.

Members bring their own skills to the society and induction consists of becoming familiar with Abbeyfield standards and the requirements of current legislation as overseen by the various regulatory bodies.

Statement of Executive Committee responsibilities
The Executive Committee Members, who are also the Trustees of Abbeyfield Ballachulish Society Limited for the purpose of charity law, are responsible for preparing the Executive Committee Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Applicable legislation requires the Executive Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor
The auditors Azets Audit Services will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report was approved by the Executive Committee and signed on their behalf.

Maureen S Marshall

K Marshall

Trustee

10 March 2026

ABBEYFIELD BALLACHULISH SOCIETY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF ABBEYFIELD BALLACHULISH SOCIETY LIMITED

Opinion

We have audited the financial statements of Abbeyfield Ballachulish Society Limited (the 'Society') for the year ended 30 September 2025 which comprise the statement of financial activities, the statement of financial position, the 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 Society's affairs as at 30 September 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Communities Benefit Societies Act 2014, the Charities and Trustees Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Executive Committee 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 Society'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 Executive Committee 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 Executive Committee are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ABBEYFIELD BALLACHULISH SOCIETY LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Executive Committee report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Executive Committee responsibilities, the Members, who are also the Trustees of the Society for the purpose of charity law, 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 Executive Committee 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 Executive Committee are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Committee either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities 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.

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 society's members, as a body, in accordance with Section 87 of the Co-operative and Community Benefit Societies Act 2014, and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the society those matters we are required to state to it in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the society for our audit work, for this report, or for the opinions we have formed.

K J Gedie

Azets Audit Services
Statutory Auditor
Chartered Accountants
1 Titanium
King's Inch Place
Renfrew
PA4 8WF

10 March 2026

ABBEYFIELD BALLACHULISH SOCIETY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2025

	Notes	Unrestricted funds general 2025 £	Unrestricted funds designated 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £
Income and endowments from:									
Donations and legacies	2	18,131	-	-	18,131	1,419	-	-	1,419
Charitable activities	3	2,345,278	-	-	2,345,278	2,235,387	-	-	2,235,387
Investments	4	16,544	-	-	16,544	14,899	-	-	14,899
Other income	5	18,940	-	-	18,940	10,710	-	-	10,710
Total income		2,398,893	-	-	2,398,893	2,262,415	-	-	2,262,415
Expenditure on:									
Charitable activities	6	2,218,322	-	-	2,218,322	2,057,993	-	-	2,057,993
Total expenditure		2,218,322	-	-	2,218,322	2,057,993	-	-	2,057,993
Net income		180,571	-	-	180,571	204,422	-	-	204,422
Transfers between funds		1,511	(1,511)	-	-	2,015	(2,015)	-	-
Net movement in funds	8	182,082	(1,511)	-	180,571	206,437	(2,015)	-	204,422
Reconciliation of funds:									
Fund balances at 1 October 2024		1,091,761	229,235	2,696,404	4,017,400	885,324	231,250	2,696,404	3,812,978
Fund balances at 30 September 2025		1,273,843	227,724	2,696,404	4,197,971	1,091,761	229,235	2,696,404	4,017,400

ABBEYFIELD BALLACHULISH SOCIETY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2025

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

ABBEYFIELD BALLACHULISH SOCIETY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	12		3,565,345		3,595,179
Current assets					
Stocks	14	900		900	
Debtors	15	26,424		37,254	
Investments	16	308,666		-	
Cash at bank and in hand		688,787		788,446	
		1,024,777		826,600	
Creditors: amounts falling due within one year	18	(269,014)		(264,251)	
Net current assets			755,763		562,349
Total assets less current liabilities			4,321,108		4,157,528
Creditors: amounts falling due after more than one year	19		(123,137)		(140,128)
Net assets			4,197,971		4,017,400
The funds of the Society					
Restricted income funds	22		2,696,404		2,696,404
Unrestricted funds - general	24		1,273,843		1,091,761
Unrestricted funds - designated	23		227,724		229,235
			4,197,971		4,017,400

The financial statements were approved and authorised for issue by the Executive Commitee on 10 March 2026 and signed on their behalf by:

K Marshall
Trustee

D Smith
Trustee

ABBEYFIELD BALLACHULISH SOCIETY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash generated from operations	27		229,851		290,099
Investing activities					
Purchase of tangible fixed assets		(20,621)		(81,199)	
Proceeds from disposal of tangible fixed assets		218		4,706	
Purchase of investments		(308,666)		-	
Investment income received		16,544		14,899	
Net cash used in investing activities			(312,525)		(61,594)
Financing activities					
Repayment of borrowings		-		(6,989)	
Repayment of bank loans		(16,985)		(17,603)	
Net cash used in financing activities			(16,985)		(24,592)
Net (decrease)/increase in cash and cash equivalents			(99,659)		203,913
Cash and cash equivalents at beginning of year			788,446		584,533
Cash and cash equivalents at end of year			688,787		788,446

ABBEYFIELD BALLACHULISH SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

1 Accounting policies

Charity information

The society is registered under the Co-operative and Community Benefit Societies Act 2014. Its registered society number is 2124RS. It is also a Scottish registered charity, registered number SC015946.

Its registered and operational address is Park Road, Ballachulish, Highland, PH49 4JS. It principal activity is to provide nursing care, residential care, day care and general housing for older people at Abbeyfield House, Park Road, Balluachulish.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Society's governing document, the Co-operative and Community Benefit Societies Act 2014, Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)".
The Society is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

At the time of approving the financial statements, the Executive Committee have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. Thus the Executive Committee continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Executive Committee in furtherance of their charitable objectives.

Designated funds are unrestricted which the Excutivee Committee have decided at their discretion to set aside to use for specific putpose.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Society.

1.4 Income

Income is recognised when the Society is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Society has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Society has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies **(Continued)**

Housing accommodation is income received during the year from general housing. Nursing and residential care represents the amounts charged for nursing, residential and day care services provided in the year, and is recognised on a delivered basis. Where income is received in advance, it is deferred until the criteria for income recognition are met.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated to expenditure on charitable activities.

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	not depreciated
Fixtures and fittings	10% and 20% straight line basis
Motor vehicles	25% reducing balance basis

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 statement of financial activities.

Freehold property is not depreciated on the grounds that the Society's has a policy of regular property maintenance and repair to ensure it is not economically or technologically obsolete.

1.7 Impairment of fixed assets

At each reporting end date, the Society reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1 Accounting policies **(Continued)**

1.9 Cash and cash equivalents

Cash and cash equivalents 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.

1.10 Financial instruments

The Society has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Society's balance sheet when the Society becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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

Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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 operations 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Society's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Society is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Short term investments

These are short term highly liquid investments with a short maturity period from the date of acquisition or opening of the deposit or similar account. These investments are held on a platform, managed by Flagstone Group Ltd.

2 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	18,131	1,419

3 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Care activities		
Housing Accommodation	52,757	63,486
Nursing and residential care	2,292,521	2,171,901
	2,345,278	2,235,387

4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	16,544	14,899

5 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income	18,940	10,710

6 Expenditure on charitable activities

	Care activities 2025 £	Care activities 2024 £
Direct costs		
Staff costs	1,732,313	1,640,799
Depreciation and impairment	50,238	43,944
Food and household costs	79,915	74,695
Insurance	13,104	11,598
Light and heat	120,061	92,880
Telephone	5,300	4,427
Postage, stationery and advertising	4,081	4,834
Cleaning	24,681	21,800
Sundries	7,052	11,627
Motor and travel	9,570	9,464
Protective and medical equipment	24,159	14,361
Professional fees	24,486	22,656
Rates and refuse	20,528	21,045
Membership and registration	11,052	11,435
Cyclical repairs and maintenance	71,427	50,058
Bad debts	383	239
Bank interest	10,844	12,205
Other charitable expenditure	3,397	4,706
	2,212,591	2,052,773
Share of support and governance costs (see note 7)		
Support	5,731	5,220
	2,218,322	2,057,993
Analysis by fund		
Unrestricted funds - general	2,218,322	2,057,993

7 Support costs allocated to activities

	2025 £	2024 £
Governance costs	5,731	5,220
Analysed between:		
Care activities	5,731	5,220

8 **Net movement in funds**	**2025**	**2024**
	£	**£**
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	5,731	5,220
Depreciation of owned tangible fixed assets	50,238	43,944

9 Executive Committee

None of the Members of the Executive Committee (or any persons connected with them) received any remuneration or benefits from the Society during the year.

Member's expenses
The Society met individual expenses incurred by the Members for services provided to the Society during the year by reimbursement of the Members. During the year one Member was reimbursed travelling expenses totalling £714 (2024 - £261).

10 Employees

The average monthly number of employees during the year was:

	2025	**2024**
	Number	**Number**
	57	57

Employment costs	**2025**	**2024**
	£	**£**
Wages and salaries	1,548,394	1,504,181
Social security costs	150,958	109,854
Other pension costs	32,961	26,764
	1,732,313	1,640,799

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

Remuneration of key management personnel

The trustees consider the key management personnel of the Society to be the manager and office staff whose employee benefits total £176,634 (2024:£167,839).

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 October 2024	3,317,248	522,253	57,190	3,896,691
Additions	-	20,621	-	20,621
Disposals	-	(37,554)	-	(37,554)
At 30 September 2025	3,317,248	505,320	57,190	3,879,758
Depreciation and impairment				
At 1 October 2024	-	250,755	50,756	301,511
Depreciation charged in the year	-	48,629	1,609	50,238
Eliminated in respect of disposals	-	(37,336)	-	(37,336)
At 30 September 2025	-	262,048	52,365	314,413
Carrying amount				
At 30 September 2025	3,317,248	243,272	4,825	3,565,345
At 30 September 2024	3,317,248	271,497	6,434	3,595,179

14 Stocks

	2025	2024
	£	£
Food and household consumables	900	900

15 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Trade debtors	3,674	14,312
Prepayments and accrued income	22,750	22,942
	26,424	37,254

16 Current asset investments

	2025	2024
	£	£
Short term deposits	308,666	-

17 Loans and overdrafts

	2025	2024
	£	£
Bank loans	141,216	158,201
Payable within one year	18,079	18,073
Payable after one year	123,137	140,128

The Royal Bank of Scotland loan is secured by a first standard security over Abbeyfield House and a bond and floating charge over the Society's assets.

18 Creditors: amounts falling due within one year

	Notes	2025	2024
		£	£
Bank loans	17	18,079	18,073
Other taxation and social security		33,159	21,833
Deferred income	20	77,185	118,030
Trade creditors		48,596	30,001
Accruals		91,995	76,314
		269,014	264,251

19 Creditors: amounts falling due after more than one year

	Notes	2025	2024
		£	£
Bank loans	17	123,137	140,128

20 Deferred income

	2025	2024
	£	£
Arising from room fees paid in advance	77,185	118,030

Deferred income is included in the financial statements as follows:

	2025	2024
	£	£
Deferred income is included within:		
Current liabilities	77,185	118,030

20 Deferred income (Continued)

Movements in the year:		
Deferred income at 1 October 2024	118,030	99,125
Released from previous periods	(118,030)	(99,125)
Resources deferred in the year	77,185	118,030
Deferred income at 30 September 2025	77,185	118,030

21 Retirement benefit schemes

	2025	2024
Defined contribution schemes	**£**	**£**
Charge to profit or loss in respect of defined contribution schemes	32,961	26,764

The Society operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Society in an independently administered fund.

22 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 October 2024	At 30 September 2025
	£	£
Restricted funds	2,696,404	2,696,404

Previous year:	At 1 October 2023	At 30 September 2024
	£	£
Restricted reserves	2,696,404	2,696,404

The restricted reserves represent funding received to finance the building cost of the Society's properties.

23 Unrestricted funds - designated

Designated funds are unrestricted funds of the Society which the Executive Committee have decided at their discretion to set aside for use for a specific purpose.

	At 1 October 2024	Transfers	At 30 September 2025
	£	£	£
Designated reserve	223,191	-	223,191
Fixed asset reserve	6,044	(1,511)	4,533
	229,235	(1,511)	227,724

Previous year:	At 1 October 2023	Transfers	At 30 September 2024
	£	£	£
Designated reserves	223,191	-	223,191
Fixed asset reserve	8,059	(2,015)	6,044
	231,250	(2,015)	229,235

Fixed asset reserve
Donations and grants obtained for the purchase of fixed assets are released over the useful life of those assets. The amount released is equal to their annual depreciation charge.

Designated reserve
The designated reserves represent sums set aside by the Society's Executive Committee to finance major repairs as defined in the accounting policies. In recent years they have designated material donations from residents and Abbeyfield Paisley Society Limited.

24 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used.

	At 1 October 2024	Incoming resources	Resources expended	Transfers	At 30 September 2025
	£	£	£	£	£
General funds	1,091,761	2,398,893	(2,218,322)	1,511	1,273,843

24 Unrestricted funds (Continued)

Previous year:	At 1 October 2023	Incoming resources	Resources expended	Transfers	At 30 September 2024
	£	£	£	£	£
General funds	885,324	2,262,415	(2,057,993)	2,015	1,091,761

25 Analysis of net assets between funds

	Unrestricted funds general 2025	Unrestricted funds designated 2025	Restricted funds 2025	Total 2025
	£	£	£	£
At 30 September 2025:				
Tangible assets	864,408	4,533	2,696,404	3,565,345
Current assets/(liabilities)	532,572	223,191	-	755,763
Long term liabilities	(123,137)	-	-	(123,137)
	1,273,843	227,724	2,696,404	4,197,971

	Unrestricted funds general 2024	Unrestricted funds designated 2024	Restricted funds 2024	Total 2024
	£	£	£	£
At 30 September 2024:				
Tangible assets	892,731	6,044	2,696,404	3,595,179
Current assets/(liabilities)	339,158	223,191	-	562,349
Long term liabilities	(140,128)	-	-	(140,128)
	1,091,761	229,235	2,696,404	4,017,400

26 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

27 Cash generated from operations

	2025	2024
	£	£
Surplus for the year	180,571	204,422
Adjustments for:		
Investment income recognised in statement of financial activities	(16,544)	(14,899)
Depreciation and impairment of tangible fixed assets	50,238	43,944
Movements in working capital:		
Decrease in debtors	10,829	23,171
Increase in creditors	45,602	14,556
(Decrease)/increase in deferred income	(40,845)	18,905
Cash generated from operations	229,851	290,099

28 Analysis of changes in net funds

	At 1 October 2024	Cash flows	At 30 September 2025
	£	£	£
Cash at bank and in hand	788,446	(99,659)	688,787
Loans falling due within one year	(18,073)	(6)	(18,079)
Loans falling due after more than one year	(140,128)	16,991	(123,137)
	630,245	(82,674)	547,571