

THE ABBEYFIELD KIRKCALDY SOCIETY LIMITED

REPORT OF THE EXECUTIVE COMMITTEE AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
30TH SEPTEMBER 2024



Abbeyfield House, 55 Meldrum Road
KIRKCALDY Fife KY2 5HY



Auditors

Haines Watts Scotland
Viewforth House
189 Nicol Street
Kirkcaldy
Fife
KY1 1PF

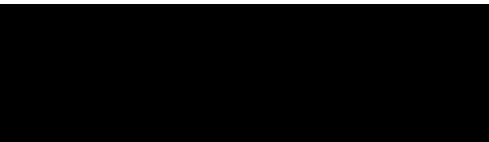
THE ABBEYFIELD KIRKCALDY SOCIETY LTD

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FOR THE YEAR ENDED 30TH SEPTEMBER 2024**

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THE ABBEYFIELD KIRKCALDY SOCIETY LTD

COMPANY INFORMATION

CHAIRMAN	
HONORARY SECRETARY	
HONORARY TREASURER	
EXECUTIVE COMMITTEE	
EX OFFICIO	
REGISTERED OFFICE	Abbeyfield House 55 Meldrum Road Kirkcaldy Fife KY2 5HY
BANKERS	Bank of Scotland 163 High Street Kirkcaldy Fife KY1 1LR
SOLICITORS	Andrew K. Price Ltd Solicitors and Notaries 18 Whytescauseway Kirkcaldy Fife KY1 1XF
REGISTERED AUDITORS	Haines Watts Scotland Business Advisors and Registered Auditors "Q" Court, 3 Quality Street Edinburgh EH4 5BP

THE ABBEYFIELD KIRKCALDY SOCIETY LTD

REPORT OF THE EXECUTIVE COMMITTEE FOR THE YEAR ENDED 30TH SEPTEMBER 2024

The Executive Committee presents its report and the audited financial statements of The Abbeyfield Kirkcaldy Society Limited for the year ended 30 September 2024.

AIMS AND OBJECTIVES

The Society's principal purpose and activity have remained unchanged: the provision of the highest quality care for the elderly in accordance with the philosophy and Guiding Principles of the Abbeyfield Society. To achieve these objectives the Society continues to operate its 29 bed residential care home located in Meldrum Road and its day care centre, which is again fully operational following closure occasioned by the covid epidemic of 2020, while continuing to provide outreach meals for around 30 clients within the Society's catchment area.

Success for the Society continues to be measured qualitatively by the positive response of residents and their relatives to the services and care provided and the waiting list for entrants to the care home and can be quantified once again by the 99% occupancy level achieved over the year. The high utilisation of available places in the day care centre mirrors this success although outreach number have fallen over the past two years.

The Society measures its performance financially against the expectation of generating a surplus to enable reinvestment within the care home and related facilities. As can be seen from the 'Report and Performance' below, this has proved very difficult for a charity of Kirkcaldy's size and ethos in the present economic and political environment and is reflected in the small deficit incurred in this most recent year.

ORGANISATION AND STRUCTURE

The Society is a Registered Society under The Co-operative and Community Benefits Act 2014. It is a member of both The Abbeyfield Society for the United Kingdom and The Abbeyfield Societies in Scotland Limited and is registered with the Financial Conduct Authority and with the Office of the Scottish Charity Regulator, OSCR, as a Scottish charity, with the charity registration number SC013525.

The Society is governed by an elected Executive Committee whose members are noted on page 1 of these financial statements and all of whom, unless otherwise stated, have served throughout the current year. This Executive Committee, which comprises unpaid volunteers who act as trustees and directors of the Society, is responsible for the overall management, performance and strategy of the Society and takes all the major decisions affecting the home, such as the appointment of senior staff, determining staffing levels, approving financial budgets, implementing health and safety improvements and setting development strategy. The Committee also reviews on an ongoing basis the risks to which the Society is exposed, and seeks to eliminate these, whether they arise from new legislation or external financial constraints or internal issues, as quickly and unobtrusively as possible. The Committee is aware that with deaths and resignations in the period since covid additional members are now required.

Members of the Executive Committee are elected by the Members of the Society at the Society's Annual General Meeting. To be eligible for election a candidate must first be a member of the Society after having been identified as having both an interest in and contribution to make towards the running of the Society, its day care centre and its residential care home. Members are introduced to the Society through existing members and their induction to the Society's activities is through participation in the Society's committees.

The Executive Committee aims to ensure the highest quality of care for its elderly residents and is mindful of its obligations under health and safety legislation. It is equally aware of its responsibility to maintain sufficient resources for the Society's financial stability and future development. In this context salary awards are set at levels which are considered affordable to the Society, compliant with legislation and comparable with the local pay rates. Ongoing experience makes it fully conscious of its responsibilities for staffing matters, of the need to refresh membership of the Executive Committee, and of the requirement to ensure continuity of good practice and governance. The Executive Committee recognises these issues which is why it additional members are being sought.

THE ABBEYFIELD KIRKCALDY SOCIETY LTD

REPORT OF THE EXECUTIVE COMMITTEE FOR THE YEAR ENDED 30TH SEPTEMBER 2024 (cont)

SENIOR MANAGEMENT TEAM

Following the departure of the assistant manager, [REDACTED], during 2024, the senior management of the Society comprises [REDACTED], a state registered nurse who is the care home manager, and its financial manager [REDACTED] with the continuing support of [REDACTED], formerly the Society's accountant and administrator. The role previously conducted by the assistant has been reallocated among senior care staff.

RESULTS AND PERFORMANCE

[REDACTED] has continued to demonstrate her leadership qualities by ensuring first class care to residents and while supporting and mentoring staff. Enormous credit is owed to all the staff who have continued to work in difficult circumstances in a challenging environment.

The financial position becomes more difficult each year that passes. The effect of inflation can be best seen in the 76% increase in heat and light costs in 2024 over the previous year. However, the biggest and recurring issue is the underfunding of care by local and central government where increases in the national minimum wage are not replicated by similar increases in grant awards for those who cannot afford to pay for their own care. This position will be exacerbated in the year ahead by the increase in employer's national insurance contributions, particularly the reduction in the starting threshold to £5,000 which in simple terms can be expected to add a further £37,000 to employment costs for the Society with no commensurate funding from government. This and earlier pay rises has forced the Society to introduce substantial increases in room rates over the past two years.

It is in this environment that the Society incurred a small deficit of £4,957 (2023 - £29,753). As at 30 September 2024 the Society's net assets stood at £1,680,996 (2023 - £1,685,953) of which £766,022 (2023 - £768,325) represents unrestricted funds and £914,974 (2023- £917,628) restricted funds, the latter either invested in or earmarked for development of the Society's property. Within these figures the Society's overall cash position stood at £323,679 compared with £366,650 at the previous year end. However, as noted below it was expected that £150,000 would be required to construct a new laundry.

Currently the Society has modest expectations over the next two accounting years but fears that it will incur small losses. However, the outcome will depend very largely on the attitude of the Scottish government to funding of the care sector and the longer term future does not look too encouraging in that respect.

In view of the continuing uncertainty as to the future level of government funding and the future role of private and voluntary organisations in the provision of care services the Committee remains cautious in its overall approach to the strategic development of the Society.

FUNDING

The Society's principal source continued to be income from the provision of accommodation to residents of the care home and day care centre which in 2023/2024 accounted for 95% of total income. Donations which in the previous year amounted to £83,000 generated only £880 in 2024.

RESERVES

The Society continues to provide a number of care services in exchange for consideration and in this respect acts as a normal business but on a charitable basis where surpluses are reinvested for the benefit of the Society and its users. Over time the Society must generate surpluses from its activities in order to be able to repay borrowings, to re-invest in the fabric of the property and to initiate improvements and undertake further development. The Executive Committee believes it appropriate that the generation of surpluses is the ultimate benchmark against which to determine the Society's financial performance and strength. However, at present the Society maintains sufficient resources to maintain its properties through which it provides its care activities, to provide ongoing high quality care and to ensure the Society is able to continue for the foreseeable future. In the event of a shortfall the Society is able to raise finance through borrowing.

The Executive Committee's aim is to generate surpluses from its activities and other sources for the re-investment of these surpluses to improve its provision of care for the elderly. In view of the Society's net assets and future projections, and despite its current year deficit, the Executive Committee is satisfied that the Society has the resources to continue for the foreseeable future and its financial statements can be prepared on the going concern basis.

THE ABBEYFIELD KIRKCALDY SOCIETY LTD
REPORT OF THE EXECUTIVE COMMITTEE
FOR THE YEAR ENDED 30TH SEPTEMBER 2024 (cont)

FUTURE DEVELOPMENTS

During 2024 the Executive Committee moved forward with its plans to replace its old laundry as part of a broader plan to develop the existing bungalow and enhance existing facilities within the care home. The laundry has now been constructed and is currently awaiting commissioning. The other immediate actions involve repairs to the gas supply and roof repairs for which partial external funding has been identified.

EVENTS SINCE THE BALANCE SHEET DATE

There have been no significant developments since the balance sheet date other than the construction of the new laundry building.

RISKS

The provision of care for the elderly is a high risk, low reward activity subject to significant and ever -changing regulatory overview and insufficient funding. Nothing has changed in this respect in recent years.

To guard against perceived risks as best as possible the Executive Committee recognises the inherent risks involved in the provision of care for the elderly which requires strict recruitment practices, ongoing staff training, the detailed recording and monitoring of care and ongoing testing against coronavirus and similar viruses.

Beyond the risks posed to health and care, the constant risk to the future of the Society remains insufficient funding for local authority funded residents with resultant pressure on the quality of care and ultimately on the Society's ability to continue to remain viable. Year after year the cost of statutory wage increases has not being matched by increases in government funding of care.

Despite these risks and obstacles, the Executive Committee remains committed to the Society's providing the highest quality of care to the elderly embracing outreach, day and residential care and will make every effort to achieve and maintain these highest standards despite the financial and regulatory pressures under which it is required to operate.

STATEMENT OF EXECUTIVE COMMITTEE'S RESPONSIBILITIES

Law applicable to the Society 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 surplus or deficit of the Society for that period. In preparing those financial statements, the Executive Committee is required to:

- select suitable policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

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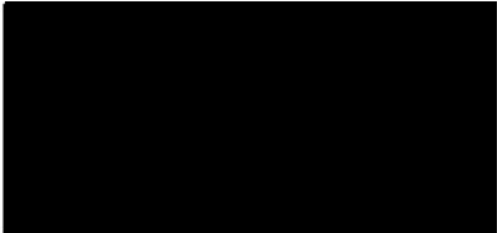
The Executive Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and to enable it to ensure that the financial statements comply with the Registered Social Landlords Accounting Requirements (Scotland) Order 2007 and are based, where appropriate and consistent with the foregoing, on the Scottish Housing Regulator recommended form of published accounts for housing associations. The financial statements have been prepared in accordance with the provisions of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Ireland" (FRS 102), "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102", the Companies Act 2006 and with the Charities and Trustee Investment (Scotland) Act 2005 and associated Charities Accounts (Scotland) Regulations 2006. The Executive Committee is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE ABBEYFIELD KIRKCALDY SOCIETY LTD
REPORT OF THE EXECUTIVE COMMITTEE
FOR THE YEAR ENDED 30TH SEPTEMBER 2024 (cont)

COMPLIANCE AND GOVERNANCE

The Executive Committee confirms that the financial statements comply with current statutory requirements, with the Society's governing document and with the Statement of Recommended Practice "Accounting and Reporting by Charities" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities. The Executive Committee also confirms that it has kept under review throughout the year the major risks to which the Society is exposed, of which the most significant are ensuring health and safety standards are maintained to the highest quality and securing sufficient funding to allow the Society's activities to continue uninterrupted. The Executive Committee is satisfied that those risks have been addressed so far as is practically possible and undertakes to monitor these and other risks on an ongoing basis.

The full Executive Committee met eight times since the date of the last report. In addition, the Chairman, Secretary and Treasurer individually meet with or discuss with the care manager to monitor developments on an ongoing basis. There is no Audit committee, the relevant responsibilities being discharged by the Executive Committee as a whole. As at the date of approval of the Executive Committee's Report, so far as its members are aware, there is no relevant audit information of which the Society's auditors are unaware and each member of the Executive Committee has taken all necessary steps that he or she ought to have taken in this role in order to make himself or herself aware of any relevant audit information and to establish that the Society's auditors are aware of that information.



Date: *4th June 2025*

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE ABBEYFIELD KIRKCALDY SOCIETY LTD

Opinion

We have audited the financial statements of The Abbeyfield Kirkcaldy Society Ltd (the 'Society') for the year ended 30 September 2024 which comprise the income and expenditure account, balance sheet, statement of cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 2024 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 Community Benefits Societies Act 2014, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 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 Auditors 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's 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 where 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 Executive Committee are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Report of the Executive Committee is inconsistent in any material respect with the financial statements ; or
- a satisfactory system of control over transactions has not been maintained; or
-

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE ABBEYFIELD KIRKCALDY SOCIETY LTD (continued)

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Executive Committee

As explained more fully in the Statement of Executive Committee's Responsibilities set out on page four, the Executive Committee are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Executive Committee determines 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 intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statement

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 a Report of the Auditors that include 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the Society through discussions with directors and other management, and from our commercial knowledge;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Society, including taxation legislation, employment, data protection and charity regulations;
- We assessed the extent of compliance with the laws and regulations identified above through making enquires of management and inspecting legal correspondence;
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assess the susceptibility of the Society's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by;

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgement and assumptions made in determining the accounting estimates were indicative of potential bias; and

Investigated the rationale behind any significant or unusual transactions.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE ABBEYFIELD KIRKCALDY SOCIETY LTD (continued)**

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual potential litigation and claims; and
- Reviewing correspondence.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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. Our audit work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Haines Watts Scotland

██████████, Senior Statutory Auditor
for and on behalf of Haines Watts Scotland
Statutory Auditors
Viewforth House
189 Nicol Street
Kirkcaldy
KY1 1PF

Dated: 4th June 2025

THE ABBEYFIELD KIRKCALDY SOCIETY LTD
SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2024
(INCORPORATING THE STATEMENT OF FINANCIAL ACTIVITIES)

	Notes	Restricted funds £	Unrestricted funds £	2024 Total Funds £	2023 Total Funds £
Income resources					
Incoming resources from generated funds:					
Donations		-	880	880	83,000
Bank interest		-	3,296	3,296	1,900
Net income from rents & service charges		-	1,701,445	1,701,445	1,567,338
Other income		-	29,342	29,342	28,733
Income from listed investments		6,539	-	6,539	1,908
Total income		6,539	1,734,963	1,741,502	1,682,879
Charitable expenditure		8,538	1,740,620	1,749,158	1,660,778
Net incoming resources before adjustments		(1,999)	(5,657)	(7,656)	22,101
Depreciation adjustment		-	3,354	3,354	3,337
Net incoming resources after adjustments		(1,999)	(2,303)	(4,302)	25,438
Other recognised gains and (losses)					
Gain/(Loss) on revaluation of investments		(655)	-	(655)	4,315
Net movement in funds		(2,654)	(2,303)	(4,957)	29,753
Total funds brought forward		917,628	768,325	1,685,953	1,656,200
Total funds carried forward	15	914,974	766,022	1,680,996	1,685,953

THE ABBEYFIELD KIRKCALDY SOCIETY LTD

**BALANCE SHEET
AT 30TH SEPTEMBER 2024**

		2024	2023
	Notes	£	£
TANGIBLE FIXED ASSETS			
Housing land and buildings cost	6	415,173	415,173
Less: Housing Association Grant		<u>(365,268)</u>	<u>(365,268)</u>
		49,905	49,905
Other schemes	7	829,193	829,193
Furnishings, fittings and equipment	7	38,638	40,805
Motor vehicles	7	-	-
Property improvements	7	166,970	185,326
Building extension and upgrade	7	<u>287,519</u>	<u>276,357</u>
TOTAL FIXED ASSETS		1,372,225	1,381,586
CURRENT ASSETS			
Debtors	8	64,768	28,501
Investments	9	43,050	43,705
Abbeyfield Society for Scotland Ltd – 1 share	9	1	1
Cash at bank and in hand		323,679	366,650
TOTAL CURRENT ASSETS		431,498	438,857
CREDITORS			
Amounts falling due within one year	10	<u>(122,681)</u>	<u>(109,444)</u>
NET CURRENT ASSETS		<u>308,817</u>	<u>329,413</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,681,042	1,710,999
CREDITORS			
Amounts falling due after more than one year	11	<u>(-)</u>	<u>(25,000)</u>
NET ASSETS		<u>1,681,042</u>	<u>1,685,999</u>
FUNDS	15		
Share Capital		46	46
Unrestricted funds			
Accumulated surplus		515,744	519,860
Replacement reserve		75,811	72,457
Capital reserve		83,173	83,173
Property equity fund		54,906	56,447
Development fund		36,388	36,388
Restricted Funds			
New development fund		<u>914,974</u>	<u>917,628</u>
TOTAL FUNDS		<u>1,681,042</u>	<u>1,685,999</u>

The financial statements were approved by the Executive Committee on 4/6/2025 and were signed on its behalf by:

The notes form part of these financial statements

THE ABBEYFIELD KIRKCALDY SOCIETY LTD
STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2024

		2024	2023
	Note	£	£
Cash flows from operating activities	1	(19,934)	9,901
Interest paid		<u>(150)</u>	<u>(734)</u>
Net cash from operating activities		(20,084)	9,567
 Cash flows from investing activities			
Purchase of tangible fixed assets		(32,722)	(55,740)
Interest and other investment income received		<u>9,835</u>	<u>1,923</u>
Net cash from investing activities		(22,887)	(51,932)
 Cash flows from financing activities			
Loan repayments in year		-	-
Loans taken out in the year		-	-
Shares issued		<u>-</u>	<u>-</u>
Net cash from financing activities		-	-
 Change in cash and cash equivalents in the reporting period		<u><u>(42,971)</u></u>	<u><u>242,223</u></u>
 Cash and cash equivalents at the beginning of the reporting period		<u><u>366,650</u></u>	<u><u>409,015</u></u>
 Cash and cash equivalents at the end of the reporting period		<u><u>323,679</u></u>	<u><u>366,650</u></u>

THE ABBEYFIELD KIRKCALDY SOCIETY LTD
NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

1	Cash flows from operating activities	2024	2023
		£	£
	Surplus for the year	(4,958)	29,753
	Depreciation	42,083	61,494
	Finance costs	150	334
	Investment income	(9,835)	(3,808)
	(Gain).Loss in value of investments	<u>655</u>	<u>(4,315)</u>
		28,097	83,458
	 (Increase)/Decrease in trade and other debtors	 (36,267)	 6,439
	Increase/(Decrease) in trade and other creditors	<u>(11,762)</u>	<u>(79,996)</u>
		<u>(19,934)</u>	<u>9,901</u>

2 ANALYSIS OF CHANGES IN NET DEBTS

	At 1.10.23	Cash flow	At 30.9.24
	£	£	£
Net cash			
Cash at bank and in hand	<u>366,650</u>	<u>(42,971)</u>	<u>323,679</u>
	<u>366,650</u>	<u>(42,971)</u>	<u>323,679</u>
 Debt			
Debts falling due within 1 year	-	(25,000)	(25,000)
Debts falling due after 1 year	<u>(25,000)</u>	<u>25,000</u>	<u>-</u>
	<u>(25,000)</u>	<u>-</u>	<u>(25,000)</u>
 Total	 341,650	 <u>(42,971)</u>	 298,679

THE ABBEYFIELD KIRKCALDY SOCIETY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2024

1. ACCOUNTING POLICIES

Basis of accounting

The Financial Statements have been prepared in accordance with applicable accounting standards, the Co-operative and Community Benefits Act 2014, the Charities and Trustee Investment (Scotland) Act 2005 the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)'.

Turnover

Turnover represents rental and service charge income receivable. Donations and Investment Income are included when they are received.

Valuation of housing properties

Housing land and buildings are stated at cost. No depreciation is charged on housing properties as they are maintained in a state of repair such that the residual value of land and buildings at the balance sheet date is not less than their net book value.

Grants

Housing Association Grants (HAG) were made by the Scottish Government and were utilised to reduce the capital costs of an approved scheme to an amount of required loan finance, which it was estimated could be serviced by the net annual income of the scheme. The amount of HAG was calculated on qualifying costs of the scheme in accordance with instructions issued from time to time by the Scottish Government. HAG was repayable under certain circumstances. A grant was approved towards the residential element of the 2015 building extension. Part of the grant was (£95,661) received in financial year 2014/15 and the remainder (£27,500) was received in financial year 2015/16. Following housing regulation changes including the creation of The Scottish Housing Regulator, Abbeyfield Societies were not granted registration with the new body and therefore no longer qualify for such grants. In return it was accepted that no future repayment of grants would be sought should a Society cease to operate.

Depreciation

Depreciation is provided on a straight line basis at the following annual rates in order to write off the cost less residual value of each asset over its residual life:

Fixtures and fittings	-	10% to 33.33%
Property improvements	-	4% to 15%
Vehicles	-	10%

Taxation

The charity is exempt from corporation tax on its charitable activities. The Society is not registered for VAT. No VAT is therefore charged to residents and expenditure incurred is inclusive of VAT.

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Investments

Current asset investments are stated at their current market value. The increase (decrease) in value is included in the SOFA as unrealised gains (losses) for investments still held. The increase (decrease) in value is included in the SOFA as realised gains (losses) for investments sold in the year.

2. NET INCOMING RESOURCES

Net resources are stated after charging/ (crediting):

	2024	2023
	£	£
Auditors' remuneration	7,700	7,700
Depreciation - owned assets	<u>42,083</u>	<u>61,494</u>

THE ABBEYFIELD KIRKCALDY SOCIETY LTD
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30TH SEPTEMBER 2024

3. REMUNERATION OF EXECUTIVE COMMITTEE

There was no remuneration, other benefits or expenses paid to any member of the Executive Committee for the year ended 30th September 2024 nor for the year ended 30th September 2023. [REDACTED] is a partner in Sinclair Watt architects who are engaged by the Society to carry out the design work for its current development schemes. Fees of £7,260 have been paid to Sinclair Watt (£17,044 in 2022/23)

4. EMPLOYEE REMUNERATION

	2024	2023
	£	£
Salaries and wages	1,212,683	1,041,491
Social security costs	76,466	70,488
Pension costs	<u>11,327</u>	<u>13,655</u>
	<u>1,300,476</u>	<u>1,125,634</u>

One employee received remuneration of more than £60,000 in the year ended 30th September 2024; none for the year ended 30th September 2023. The average number of employees in the year was 64 (2023 - 64).

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Restricted	Unrestricted	Total
	£	£	£
Incoming resources			
Donations	83,000	-	83,000
Bank interest	-	1,900	1,900
Net income	-	1,567,338	1,567,338
Other income	-	28,733	28,733
Income from listed investments	<u>1,908</u>	<u>-</u>	<u>1,908</u>
Total income	<u>84,908</u>	<u>1,597,971</u>	<u>1,682,879</u>
Charitable expenditure	<u>28,127 -</u>	<u>1,632,651</u>	<u>1,660,778</u>
Net incoming resources before adjustments	<u>56,781</u>	(34,680)	<u>22,101</u>
Depreciation adjustment	-	3,337	3,337
Net incoming resources after adjustments	<u>56,781</u>	<u>(31,343)</u>	<u>25,438</u>
Other recognised gains			
Gain on revaluation of investments	4,315	-	4,315
Net movement in funds	61,096	<u>(31,343)</u>	<u>29,753</u>

6. HOUSING LAND AND BUILDINGS:HAG ASSISTED SCHEMES

	Land and buildings	En- suite facilities	Total
	£	£	£
Cost			
At 1st October 2023 and 30 September 2024	297,804	117,369	415,173
Housing Association Grant			
At 1st October 2023 and 30 September 2024	<u>(297,804)</u>	<u>(67,464)</u>	<u>(365,268)</u>
NET BOOK VALUE			
At 30th September 2024	<u>-</u>	<u>49,905</u>	<u>49,905</u>
At 30th September 2023	<u>-</u>	<u>49,905</u>	<u>49,905</u>

THE ABBEYFIELD KIRKCALDY SOCIETY LTD
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30TH SEPTEMBER 2024

7. TANGIBLE FIXED ASSETS

	Heritable Property	Furnishings And Fittings	Property Improvements	New Build Works & 2015 Extension	Motor Vehicles	Total
Cost						
At 1 st October 2023	829,193	412,944	363,882	310,610	42,725	1,959,354
Additions		13,299	5,485	13,938		32,722
Disposals	-	(8,466)	-	-	(3,500)	(11,966)
At 30 th September 2024	829,193	417,777	369,367	324,548	39,225	1,980,110
Depreciation						
At 1 st October 2023	-	372,139	178,556	34,253	42,725	627,673
Charge for the year	-	15,466	23,841	2,776	-	42,083
Disposal adjustment		(8,466)			(3,500)	(11,966)
At 30 th September 2024	-	379,139	202,397	37,029	39,225	657,790
Net Book Value						
At 30 th September 2024	829,193	38,638	166,970	287,519	-	1,322,320
At 30 th September 2023	829,193	40,805	185,326	276,357	-	1,331,681

N.B. Property expenditure now includes expenditure on earlier extension schemes so that the expenditure on the 2015 extension project can be seen separately.

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Room rents – Council	50,954	11,614
Room rents – Private	2,760	3,813
Daycare - Other	660	660
Outreach services	3,404	5,731
Prepayments	<u>6,990</u>	<u>6,683</u>
	<u>64,768</u>	<u>28,501</u>

9. CURRENT ASSET INVESTMENTS

	2024 £	2023 £
Listed investments	43,050	43,705
Other (The Abbeyfield Society £1 share)	<u>1</u>	<u>1</u>
	<u>43,051</u>	<u>43,706</u>

LISTED INVESTMENTS HELD

		Holding	Price(p)	2024 Values Value
Murray Income Trust	Ord Shares @ 25p	5,000	861.00	43,050
Wincanton	Ord Shares @ 10p	0	274.00	-
				<u>43,050</u>

THE ABBEYFIELD KIRKCALDY SOCIETY LTD
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30TH SEPTEMBER 2024

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Loans	25,000	-
Grant	-	-
Trade creditors	34,170	43,450
Taxation and social security	21,806	15,510
Accrued wages	23,365	27,816
Accrued audit fee	7,700	7,700
Replacement Minibus Fund	9,336	9,336
Other accruals	<u>1,304</u>	<u>5,632</u>
	<u><u>122,681</u></u>	<u><u>109,444</u></u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Loans:		
Due one to two years	*	25,000
Due two to five years	*	-
	<u><u>25,000</u></u>	<u><u>25,000</u></u>
Included in current liabilities: Up to one year	£-	£-

*

1. £25,000 was borrowed from Pathhead Feuars Trust (January 2014). This was an interest only loan repayable after three years with an option to extend it for a further two years which the Feuars Trust took up and later extended again. A further three-year extension period was agreed until December 2024. After the date of these accounts a further three-year extension period has been agreed.

12. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	2024	2023
	£	£
Expiring: Between one and five years	<u><u>2,542</u></u>	<u><u>2,542</u></u>

THE ABBEYFIELD KIRKCALDY SOCIETY LTD
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30TH SEPTEMBER 2024

CAPITAL COMMITMENTS

13.

	2024 £	2023 £
Expiring: Between one and five years – Construction of New Laundry	<u>£150,000</u>	-

14. **ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Fund Balances at 30 th September 2024 as represented by:				
Fixed assets	206,923	250,328	914,974	1,372,225
Net current assets	308,817	-	-	308,817
Long Term liabilities	-	-	-	-
	<u>515,740</u>	<u>250,328</u>	<u>914,974</u>	<u>1,681,042</u>

15. **MOVEMENT IN FUNDS**

	At 1/10/23 £	Net movement in funds £	At 30/9/24 £
Shareholders' Capital	46	-	46
Unrestricted funds			
General fund	519,860	(4,166)	515,694
Designated funds			
Property equity fund	56,447	(1,541)	54,906
Development fund	36,388	-	36,388
Replacement reserve	72,457	3,354	75,811
Capital reserve	83,173	-	83,173
	<u>768,325</u>	<u>(2,353)</u>	<u>766,022</u>
Restricted funds			
New Building fund	<u>917,628</u>	<u>(2,654)</u>	<u>914,974</u>
TOTAL FUNDS	<u>1,685,999</u>	<u>(4,957)</u>	<u>1,681,042</u>

Notes regarding Funds:

General Fund: Represents the Society's uncommitted cumulative operating revenue surplus

Property Equity Fund: Represents the value of property improvements carried out using donated funds. Being written down at a fixed rate.

Development Fund: Funds originally set aside towards minor general development schemes.

Replacement Reserve: Fund set up to provide for the replacement of depreciated assets. The fund is being created by a provision equal to 10% of the in year fixed asset depreciation.

Capital Reserve: Funding set aside for property enhancements

New Building Fund: Set up using donated funds towards the Society's major expansion programme.

N.B. Since the bulk of the then accumulated and donated finance was used during the years 2008 and 2009 in purchasing and adapting the properties for the Day Care Centre and the planned Dementia Unit, the above funds are mainly represented by the Society's fixed assets rather than by available cash. Further recent donations and grants increased bank balances pending being used on capital expenditure that will take place in future years.

THE ABBEYFIELD KIRKCALDY SOCIETY LTD
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30TH SEPTEMBER 2024

16. RELATED PARTY TRANSACTIONS

There were no payments made to any related parties during the financial year.

Analysis of staff costs and remuneration by key management personnel:

The Society considers its key management personnel to comprise of Care Manager, Deputy Manager, Administrator, Finance Manager and Accountant.

Total employment pay and benefits including pension cost contributions for these were £164,820 (2023 £159,850)

No employees had employee benefits in excess of £60,000 (2023 None)

17. HOUSING

	2024	2022
The number of bed spaces available during the year was	<u>29</u>	<u>29</u>

A room which is registered for double occupancy, was occupied by a couple for part of the 2022/23 financial year. The Society is registered for 30 places.

18. SHAREHOLDERS

Four new shareholders have joined the Society during the course of the year. One other has died while three have resigned their shareholding.

	2024	2023
	46	46

19. SPECIAL INCOME & GRANTS

	2024	2023
Grants	-	83,000
Staff pay costs	-	4,092
	-----	-----
	<u>-</u>	<u>87,092</u>

Prior years:

PPE and Staff Pay Costs income was obtained from Scottish Government funding given towards the additional cost of these incurred because of Covid-19

A grant of £63,000 was received from The Robertson Trust towards the cost of the new laundry. Also £20,000 was received from the former Abbeyfield Paisley Society for the respite unit project. Both grants to be used for capital expenditure.

N.B. Other Income shown in the Income and Expenditure account includes funding for Society's work on Dementia Support.

ABBNEYFIELD KIRKCALDY SOCIETY LTD
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2024

		Restricted funds £	Unrestricted funds £	2024 Total funds £	2023 Total Funds £
Income					
Accommodation charges		-	1,511,882	1,511,882	1,372,154
Respite unit			-	-	-
Daycare services		-	147,288	147,288	137,280
Outreach services		-	42,275	42,275	57,904
Donations		-	880	880	83,000
Bank interest		-	3,296	3,296	1,900
Profit on revaluation of investments		(655)	-	(655)	4,315
Special income & grants	19	-	-	-	4,092
Other income		-	29,342	29,342	24,641
Income from listed investments		6,539	-	6,539	1,908
Total income		5,884	1,734,963	1,740,847	1,687,194
Expenditure					
<u>Management expenses:</u>					
Affiliation fees		-	4,175	4,175	3,588
Auditors' remuneration		-	8,951	8,951	7,800
Legal and other professional fees		-	-	-	-
Staff expenses		-	12,859	10,608	10,608
Advertising		-	1,473	1,473	809
		-	27,458	27,458	22,805
<u>Repairs and maintenance</u>		-	57,180	57,180	55,351
<u>Service costs</u>					
Employee costs	4	-	1,212,683	1,212,683	1,125,634
Food costs		-	145,708	145,708	151,682
		-	1,358,391	1,358,391	1,277,316
<u>Other costs</u>					
Insurances		-	5,461	5,461	5,083
Heating and lighting		-	74,630	74,630	42,433
Water charges		-	8,924	8,924	8,138
Cleaning		-	16,696	16,696	20,679
Medical supplies etc.		-	69,515	69,515	52,528
Bank interest and charges		-	150	150	334
Postage and telephone		-	11,606	11,606	9,854
Registration fees		-	7,552	7,552	6,741
Waste disposal		-	24,054	24,054	22,929
Vehicle running costs		-	9,285	9,285	12,998
Sundry expenses		-	10,806	10,806	37,822
Depreciation		8,538	36,899	45,437	64,831
Course fees		-	10,116	10,116	9,910
Stationery and administration		-	11,897	11,897	11,026
		8,538	297,591	306,029	305,306
Total expenditure		8,538	1,740,620	1,749,158	1,660,778
Net (deficit)/ surplus for the year		(2,654)	(5,657)	(8,311)	26,416

THE ABBEYFIELD KIRKCALDY SOCIETY

Forecasts for the financial years to 30th September

	2024/25	2025/26
INCOME		
Room Rents	1,588,500	1,652,000
Day Care	151,000	154,000
Outreach Services	44,000	45,000
Bank Interest Received	1,400	1,500
Dementia Support	25,600	26,000
Other Income	3,000	3,500
Total Income	1,813,500	1,882,000
EXPENDITURE		
ADMINISTRATION		
Professional fees	9,500	10,000
Registration fees	8,000	8,000
Affiliation Fees	2,500	3,000
Bank Interest & Charges	200	200
Staff Expenses	13,500	14,000
Admin & Stationery	14,000	15,000
Advertising	3,000	3,000
Course Fees	10,000	11,000
Sub Total Admin.	60,700	64,200
OTHER EXPENDITURE		
Repairs & Maintenance	48,000	50,000
Care Managers Allowance:		
Medical Supplies (CM)	38,500	39,500
Crockery/Furnishings (CM)	4,000	4,000
Uniforms (CM)	2,500	2,500
Care Systems	11,500	12,000
Pay Costs	1,288,300	1,319,000
Provisions	150,000	155,000
Insurance	6,000	6,500
Heating & Lighting	71,000	55,000
Cleaning	18,000	19,000
Posts & Telephones	12,500	13,000
Miscellaneous	4,500	4,500
Vehicle Costs	10,000	11,000
Water Charges	9,500	9,500
Waste Disposal	25,000	26,000
Residents' Recreational	20,000	20,000
Depreciation	43,500	44,500
Sub Total	1,762,800	1,791,000
Total Expenditure	1,823,500	1,855,200
Surplus (-)Deficit	-10,000	26,800

N.B. The above figures include NCHC income & pay inflation from April 2025.
Including the NHI & Threshold changes No estimate is included however for any statutory increase in wage rates or NCHC increases from April 2026
If Government continues to underfund care from April 2026 that will have a negative impact on the forecast position shown above for financial year 2025/26