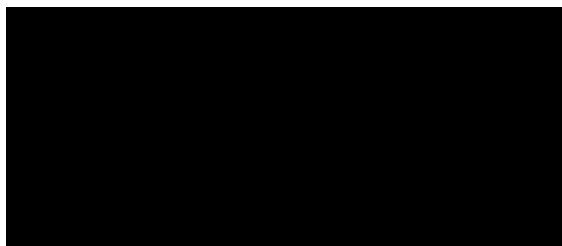


THE ABBEYFIELD KIRKCALDY SOCIETY LIMITED

REPORT OF THE EXECUTIVE COMMITTEE AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
30TH SEPTEMBER 2023



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 2023**

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THE ABBEYFIELD KIRKCALDY SOCIETY LTD

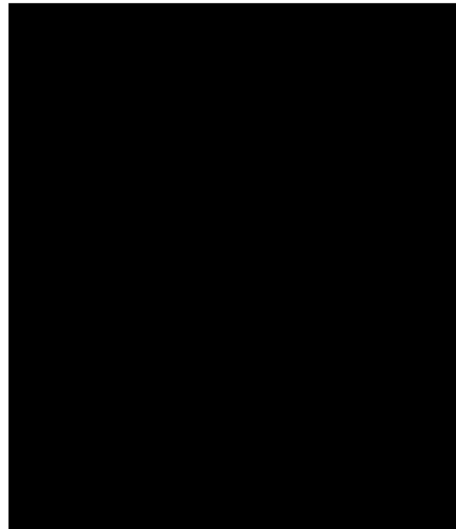
COMPANY INFORMATION

CHAIRMAN

HONORARY SECRETARY

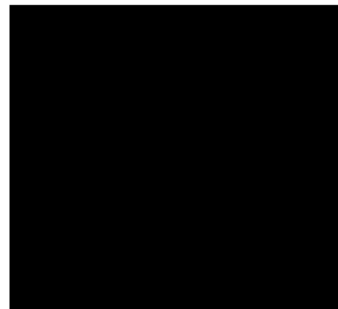
HONORARY TREASURER

EXECUTIVE COMMITTEE



EX OFFICIO

REGISTERED OFFICE



BANKERS

Bank of Scotland
Mitchelston
Kirkcaldy
Fife
KY1 3PA

SOLICITORS

Andrew K. Price Ltd
Solicitors and Notaries
18 Whytescauseway
Kirkcaldy
Fife
KY1 1XF

REGISTERED AUDITORS

Haines Watts Scotland
Business Advisors and Registered
Auditors 189 Nicol Street
Kirkcaldy
KY1 1PF

THE ABBEYFIELD KIRKCALDY SOCIETY LTD

REPORT OF THE EXECUTIVE COMMITTEE FOR THE YEAR ENDED 30TH SEPTEMBER 2023

The Executive Committee presents its report and the audited financial statements of The Abbeyfield Kirkcaldy Society Limited for the year ended 30 September 2023.

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 while continuing to provide outreach meals for around 50 clients within the Society's catchment area. The day care centre had been given clearance by the Care Inspectorate to operate at full capacity but numbers currently remain below pre covid levels since social work still

are only contracting for the reduced number of places that were initially permitting on reopening.

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 and the high take up of the outreach services mirror this success.

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 if not nigh on impossible for a charity of Kirkcaldy's size and ethos in the present economic and political environment.

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.

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 but believes that at present it has a suitable balance within its composition.

THE ABBEYFIELD KIRKCALDY SOCIETY LTD

REPORT OF THE EXECUTIVE COMMITTEE FOR THE YEAR ENDED 30TH SEPTEMBER 2023 (cont)

SENIOR MANAGEMENT TEAM

There has been no change over the period of this report to the senior management of the Society which comprises [REDACTED] a state registered nurse who is the care home manager, her assistant [REDACTED] and its financial manager, [REDACTED] with the support of [REDACTED] formerly the Society's accountant and administrator. The Society has been extremely fortunate and has benefited from retaining this excellent and experienced management team with Heather and Peter serving for 20 years or thereby. This proved particularly invaluable during the Covid pandemic and since where medical expertise and experience together with management skills and decision making have continued to prove essential. As previously reported two of this team, [REDACTED], are recipients of the highest award the Abbeyfield Society can bestow, the Royal Patron's Award.

RESULTS AND PERFORMANCE

[REDACTED] has continued to demonstrate her leadership qualities throughout by ensuring first class care to residents and while supporting and mentoring staff. In this she has been ably assisted by her deputy. Enormous credit is also owed to all the staff who have continued to work in difficult circumstances. While Coronavirus may have waned other challenges have replaced or supplemented it placing additional stress on staff who were already performing a very demanding role.

The financial position, which was already difficult has become more so, with the onset of inflation forcing up employment costs, food prices and heating charges, by 9%, 25% and 31% respectively, to name the three most significant. The effect of the major increases in utility price during 2023 is making this situation worse, as can be seen in the forecast figures for 2023/24 and 2024/25. The most galling is the increase in employment costs which are driven by government dictat but which are not matched by a corresponding increase in the funding government provides.

Against this backdrop the Society achieved an overall surplus of £29,753 (2022 - £148,017). However the unrestricted aspect of the Society's activities, in other words its principal operation and raison d'être, incurred a loss of £31,343 as opposed to a surplus of £82,899 in the previous year. However, it should be acknowledged that a significant factor in turning a break-even outcome into a deficit was down to an increased depreciation charge on donated assets. On the other hand the overall results were enhanced by the release of a grant of £63,000 from the Robertson Trust donated to enable the construction of a new laundry. As at 30 September 2023 the Society's net assets stood at £1,685,953 (2022 - £1,656,200) of which £768,325 (2022 - £799,668) represents unrestricted funds and £917,628 (2022- £856,532) 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 had declined by £42,365 as opposed to an increase in funds of £242,223 in the previous year.

Currently the Society is expecting to suffer a modest loss in each of the current and next accounting years. As always in recent years, the outcome will depend very largely on the attitude of the Scottish government to funding of the care sector. In recent years it has been inimical. It demonstrates little recognition of the funding required for those private sector and charitable organisations which perform this invaluable role.

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 2022/2023 accounted for 89% of total income. Donations amounting to £83,000 accounted for a further 5%.

THE ABBEYFIELD KIRKCALDY SOCIETY LTD

REPORT OF THE EXECUTIVE COMMITTEE FOR THE YEAR ENDED 30TH SEPTEMBER 2023 (cont)

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 all 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 benchmark against which to determine the Society's financial performance and strength. 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 future 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, its recent history of surpluses, and despite its current year budget, 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.

FUTURE DEVELOPMENTS

During 2023 and into 2024 the Executive Committee has been moving forward with its plans to replace its old laundry as part of a broader plan to redevelop the existing bungalow and enhance existing facilities within the care home. Renewed planning consent is currently being sought and a preferred contractor identified. Meanwhile [REDACTED] has continued to explore other funding sources to assist with the financing of this overall project.

EVENTS SINCE THE BALANCE SHEET DATE

There have been no significant developments since the balance sheet date. As noted above the Executive Committee has committed to the replacement of the existing laundry and is exploring additional sources of funding to enable the next stages of the proposed development to proceed.

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. Perhaps the greatest threat remains from national government itself with its underfunding of care provision on the one hand and its centralising mantra to create a national care service on the other. With recent changes in the hierarchy it remains to be seen if these will be reflected in a more favourable appreciation of the service the care sector provides.

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.

THE ABBEYFIELD KIRKCALDY SOCIETY LTD

REPORT OF THE EXECUTIVE COMMITTEE FOR THE YEAR ENDED 30TH SEPTEMBER 2023 (cont)

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:

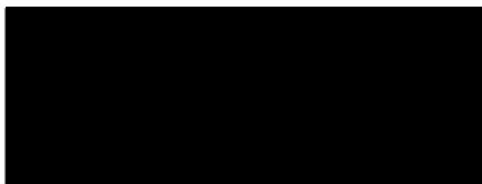
- select suitable policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

•
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.

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 four 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: 29th May 2024

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 2023 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 2023 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: 29/05/2024

THE ABBEYFIELD KIRKCALDY SOCIETY LTD
SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2023
(INCORPORATING THE STATEMENT OF FINANCIAL ACTIVITIES)

	Notes	Restricted funds £	Unrestricted funds £	2023 Total Funds £	2022 Total Funds £
Income resources					
Incoming resources from generated funds:					
Donations		83,000	-	83,000	70,400
Bank interest		-	1,900	1,900	33
Net income from rents & service charges		-	1,567,338	1,567,338	1,460,484
Other income		-	28,733	28,733	110,086
Income from listed investments		1,908	-	1,908	1,890
Total income		84,908	1,597,971	1,682,879	1,642,893
Charitable expenditure		28,127	1,632,651	1,660,778	1,491,036
Net incoming resources before adjustments		56,781	(34,680)	22,101	151,857
Depreciation adjustment		-	3,337	3,337	3,332
Net incoming resources after adjustments		56,781	(31,343)	25,438	155,189
Other recognised gains and (losses)					
Gain/(Loss) on revaluation of investments		4,315	-	4,315	(7,172)
Net movement in funds		61,096	(31,343)	29,753	148,017
Total funds brought forward		856,532	799,668	1,656,200	1,508,183
Total funds carried forward	15	917,628	768,325	1,685,953	1,656,200

THE ABBEYFIELD KIRKCALDY SOCIETY LTD

**BALANCE SHEET
AT 30TH SEPTEMBER 2023**

		2023	2022
	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	40,805	55,027
Motor vehicles	7	-	11,751
Property improvements	7	185,326	191,788
Building extension and upgrade	7	<u>276,357</u>	<u>249,676</u>
TOTAL FIXED ASSETS		<u>1,381,586</u>	<u>1,387,340</u>
CURRENT ASSETS			
Debtors	8	28,501	34,940
Investments	9	43,705	39,390
Abbeyfield Society for Scotland Ltd – 1 share	9	1	1
Cash at bank and in hand		366,650	409,015
TOTAL CURRENT ASSETS		<u>438,857</u>	<u>483,346</u>
CREDITORS			
Amounts falling due within one year	10	<u>(109,444)</u>	<u>(189,440)</u>
NET CURRENT ASSETS		<u>329,413</u>	<u>253,906</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,710,999	1,681,246
CREDITORS			
Amounts falling due after more than one year	11	<u>(25,000)</u>	<u>(25,000)</u>
NET ASSETS		<u>1,685,999</u>	<u>1,656,246</u>
FUNDS	15		
Share Capital		46	46
Unrestricted funds			
Accumulated surplus		519,860	552,999
Replacement reserve		72,457	69,120
Capital reserve		83,173	83,173
Property equity fund		56,447	57,988
Development fund		36,388	36,388
Restricted Funds			
New development fund		<u>917,628</u>	<u>856,532</u>
TOTAL FUNDS		<u>1,685,999</u>	<u>1,656,246</u>

The financial statements were approved by the Executive Committee on 29/5/2024 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 2023

		2023	2022
	Note	£	£
Cash flows from operating activities	1	9,901	303,687
Interest paid		<u>(334)</u>	<u>(734)</u>
Net cash from operating activities		9,567	302,953
 Cash flows from investing activities			
Purchase of tangible fixed assets		(55,740)	(62,653)
Interest and other investment income received		<u>3,808</u>	<u>1,923</u>
Net cash from investing activities		(51,932)	(60,730)
 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>(42,365)</u></u>	<u><u>242,223</u></u>
 Cash and cash equivalents at the beginning of the reporting period		<u><u>409,015</u></u>	<u><u>166,792</u></u>
 Cash and cash equivalents at the end of the reporting period		<u><u>366,650</u></u>	<u><u>409,015</u></u>

THE ABBEYFIELD KIRKCALDY SOCIETY LTD
NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

1	Cash flows from operating activities	2023	2022
		£	£
	Surplus for the year	29,753	148,017
	Depreciation	61,494	33,344
	Finance costs	334	734
	Investment income	(3,808)	(1,923)
	(Gain).Loss in value of investments	<u>(4,315)</u>	<u>7,172</u>
		83,458	187,344
	(Increase)/Decrease in trade and other debtors	6,439	28,078
	Increase/(Decrease) in trade and other creditors	<u>(79,996)</u>	<u>88,265</u>
		<u><u>9,901</u></u>	<u><u>303,687</u></u>

2 ANALYSIS OF CHANGES IN NET DEBTS

	At 1.10.22 £	Cash flow £	At 30.9.23 £
Net cash			
Cash at bank and in hand	<u>409,015</u>	<u>(42,365)</u>	<u>366,650</u>
	<u>409,015</u>	<u>(42,365)</u>	<u>366,650</u>
Debt			
Debts falling due within 1 year	(25,000)	25,000	-
Debts falling due after 1 year	<u>-</u>	<u>(25,000)</u>	<u>(25,000)</u>
	<u>(25,000)</u>	<u>-</u>	<u>(25,000)</u>
Total	384,015	<u>(42,365)</u>	341,650

THE ABBEYFIELD KIRKCALDY SOCIETY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2023

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):

	2023	2022
	£	£
Auditors' remuneration	7,700	7,100
Depreciation - owned assets	<u>61,494</u>	<u>33,343</u>

THE ABBEYFIELD KIRKCALDY SOCIETY LTD
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30TH SEPTEMBER 2023

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 2023 nor for the year ended 30th September 2022. [REDACTED] is a partner in Sinclair Watt architects who are engaged by the Society to carry out the design work for its current development scheme. Fees of £17,044 have been paid to Sinclair Watt in 2022/23.

4. EMPLOYEE REMUNERATION

	2023	2022
	£	£
Salaries and wages	1,041,491	953,213
Social security costs	70,488	64,511
Pension costs	<u>13,655</u>	<u>14,068</u>
	<u>1,125,634</u>	<u>1,031,792</u>

No employees received remuneration of more than £60,000 in the year ended 30th September 2023 nor for the year ended 30th September 2022. The average number of employees in the year was 64 (2022 - 63).

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Restricted	Unrestricted	Total
	£	£	£
Incoming resources			
Donations	70,400	-	70,400
Bank interest	-	33	33
Net income	-	1,460,484	1,460,484
Other income	-	110,086	110,086
Income from listed investments	<u>1,890</u>	<u>-</u>	<u>1,890</u>
Total income	<u>72,290</u>	<u>1,570,603</u>	<u>1,642,893</u>
Charitable expenditure	<u>-</u>	<u>1,491,036</u>	<u>1,491,036</u>
Net incoming resources before adjustments	<u>72,290</u>	<u>79,567</u>	<u>151,857</u>
Depreciation adjustment	-	3,332	3,332
Net incoming resources after adjustments	<u>72,290</u>	<u>82,899</u>	<u>155,189</u>
Other recognised gains			
Gain on revaluation of investments	(7,172)	-	(7,172)
Net movement in funds	65,118	<u>82,899</u>	<u>148,017</u>

6. HOUSING LAND AND BUILDINGS:HAG ASSISTED SCHEMES

	Land and buildings	En- suite facilities	Total
	£	£	£
Cost			
At 1st October 2022 and 30 September 2023	297,804	117,369	415,173
Housing Association Grant			
At 1st October 2022 and 30 September 2023	<u>(297,804)</u>	<u>(67,464)</u>	<u>(365,268)</u>
NET BOOK VALUE			
At 30th September 2023	<u>-</u>	<u>49,905</u>	<u>49,905</u>
At 30th September 2022	<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 2023

7. TANGIBLE FIXED ASSETS

	Heritable Property	Furnishings And Fittings	Property Improvements	New Building 2015 Extension	Motor Vehicles	Total
Cost						
At 1 st October 2022	829,193	408,777	342,080	280,839	42,725	1,903,614
Additions	-	4,167	21,802	29,771	-	55,740
At 30 th September 2023	829,193	412,944	363,882	310,610	42,725	1,959,354
Depreciation						
At 1 st October 2022	-	353,750	150,292	31,163	30,974	566,179
Charge for the year	-	18,389	28,264	3,090	11,751	61,494
At 30 th September 2023	-	372,139	178,556	34,253	42,725	627,673
Net Book Value						
At 30 th September 2023	829,193	40,805	185,326	276,357	-	1,331,681
At 30 th September 2022	829,193	55,027	191,788	249,876	11,751	1,337,435

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

	2023	2022
	£	£
Room rents – Council	11,614	15,052
Room rents – Private	3,813	5,613
Daycare - Other	660	720
Outreach services	5,731	6,215
Prepayments	6,683	7,340
	<u>28,501</u>	<u>34,940</u>

9. CURRENT ASSET INVESTMENTS

	2023	2022
	£	£
Listed investments	43,705	39,390
Other (The Abbeyfield Society £1 share)	1	1
	<u>43,706</u>	<u>39,391</u>

LISTED INVESTMENTS HELD

		Holding	Price(p)	2023 Values Value
Murray Income Trust	Ord Shares @ 25p	5,000	833.00	41,650
Wincanton	Ord Shares @ 10p	750	274.00	2,055
				<u>43,705</u>

THE ABBEYFIELD KIRKCALDY SOCIETY LTD
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30TH SEPTEMBER 2023

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Loans	-	-
Grant	-	63,000
Trade creditors	43,450	57,384
Taxation and social security	15,510	14,927
Accrued wages	27,816	28,125
Accrued audit fee	7,700	7,100
Replacement Minibus Fund	9,336	9,336
Other accruals	<u>5,632</u>	<u>9,568</u>
	<u><u>109,444</u></u>	<u><u>189,440</u></u>

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

		2023	2022
		£	£
Loans:			
Due one to two years	*	25,000	-
Due two to five years	*	-	25,000
		<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.

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12. OPERATING LEASE COMMITMENTS

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

	2023	2022
	£	£
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 2023

13.

CAPITAL COMMITMENTS

	2023	2022
	£	£
Expiring: Between one and five years	=	<u>63,000</u>

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

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Fund Balances at 30 th September 2023 as represented by:				
Fixed assets	215,493	248,465	917,628	1,381,586
Net current assets	329,413	-	-	329,413
Long Term liabilities	(25,000)	-		(25,000)
	<u>519,906</u>	<u>248,465</u>	<u>917,628</u>	<u>1,685,999</u>

15. **MOVEMENT IN FUNDS**

	At 1/10/22	Net movement in funds	At 30/9/23
	£	£	£
Shareholders' Capital	46	-	46
Unrestricted funds			
General fund	552,999	(33,139)	519,860
Designated funds			
Property equity fund	57,988	(1,541)	56,447
Development fund	36,388	-	36,388
Replacement reserve	69,120	3,337	72,457
Capital reserve	83,173	-	83,173
	<u>799,668</u>	<u>(31,343)</u>	<u>768,325</u>
Restricted funds			
New Building fund	<u>856,532</u>	<u>61,096</u>	<u>917,628</u>
TOTAL FUNDS	<u>1,656,246</u>	<u>29,753</u>	<u>1,685,999</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 have helped to increase 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 2023

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 £159,850 (2022 £147,148)

No employees had employee benefits in excess of £60,000 (2021 None)

17. HOUSING

	2023	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 financial year. The Society is registered for 30 places.

18. SHAREHOLDERS

One new shareholder has joined the Society during the course of the year. One other has died.

	2023	2022
	46	46

19. SPECIAL INCOME & GRANTS

	2023	2022
Furlough costs recovered	-	-
Grants	83,000	70,400
PPE costs	-	22,565
Staff pay costs	4,092	64,284
	-----	-----
	<u>87,092</u>	<u>157,249</u>

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.

THE ABBEYFIELD KIRKCALDY SOCIETY LTD
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	Restricted funds £	Unrestricted funds £	2023 Total funds £	2022 Total Funds £
Income					
Accommodation charges		-	1,372,154	1,372,154	1,282,473
Respite unit		-	-	-	-
Daycare services		-	137,280	137,280	133,925
Outreach services		-	57,904	57,904	44,086
Donations		83,000	-	83,000	70,400
Bank interest		-	1,900	1,900	33
Profit on revaluation of investments		4,315	-	4,315	(7,172)
Special income & grants	19	-	4,092	4,092	86,849
Other income		-	24,641	24,641	23,237
Income from listed investments		1,908	-	1,908	1,890
Total income		89,223	1,597,971	1,687,194	1,635,721
Expenditure					
<u>Management expenses:</u>					
Affiliation fees		-	3,588	3,588	3,833
Auditors' remuneration		-	7,800	7,800	7,798
Legal and other professional fees		-	-	-	-
Staff expenses		-	10,608	10,608	7,359
Advertising		-	809	809	4,232
		-	22,805	22,805	23,222
<u>Repairs and maintenance</u>		-	55,351	55,351	63,078
<u>Service costs</u>					
Employee costs	4	-	1,125,634	1,125,634	1,031,792
Food costs		-	151,682	151,682	121,599
		-	1,277,316	1,277,316	1,153,391
<u>Other costs</u>					
Insurances		-	5,083	5,083	4,753
Heating and lighting		-	42,433	42,433	32,562
Water charges		-	8,138	8,138	7,449
Cleaning		-	20,679	20,679	24,151
Medical supplies etc.		-	52,528	52,528	57,539
Bank interest and charges		-	334	334	734
Postage and telephone		-	9,854	9,854	6,662
Registration fees		-	6,741	6,741	7,767
Waste disposal		-	22,929	22,929	20,717
Vehicle running costs		-	12,998	12,998	10,930
Sundry expenses		-	37,822	37,822	18,428
Depreciation		28,127	36,704	64,831	36,678
Course fees		-	9,910	9,910	8,000
Stationery and administration		-	11,026	11,026	14,975
		28,127	277,179	305,306	251,345
Total expenditure		28,127	1,632,651	1,660,778	1,491,036
Net surplus for the year		61,096	(34,680)	26,416	144,685

The Abbeyfield Kirkcaldy Society

FORECASTS FOR 2023/24 and 2024/25

	2023/24 £'s	2024/25 £'s
INCOME		
Room Rents	1,465,000	1,545,000
Day Care	153,000	159,000
Outreach Services	59,800	63,000
Bank Interest Received	2,400	1,500
Other Income	26,000	28,000
Total Income	<u>1,706,200</u>	<u>1,796,500</u>
EXPENDITURE		
Management Expenses		
Affiliation Fees	4,000	4,500
Auditors Remuneration	8,500	8,500
Professional fees	1,100	1,100
Staff Expenses	11,000	12,000
Advertising	3,000	3,000
Sub Total	<u>27,600</u>	<u>29,100</u>
Service Costs		
Pay Costs	1,215,000	1,295,000
Provisions	155,000	160,000
Sub Total	<u>1,370,000</u>	<u>1,455,000</u>
Other Costs		
Repairs & Maintenance	43,000	45,000
Medical Supplies & Equipt	35,000	36,700
Crockery & Furnishings	7,000	7,400
Uniforms	3,000	3,200
Care Systems	9,000	10,000
Insurance	5,600	6,000
Heating & Lighting	74,000	70,000
Cleaning	20,000	21,000
Posts & Telephones	10,000	10,500
Admin & Stationery	14,000	15,000
Registration fees	8,000	9,000
Bank Interest & Charges	500	500
Vehicle Costs	13,000	15,000
Water Charges	8,500	9,000
Waste Disposal	27,000	28,400
Course Fees	10,000	10,000
Residents' Recreational	10,000	10,500
Miscellaneous	7,000	7,500
Depreciation	39,500	41,000
Sub Total	<u>344,100</u>	<u>355,700</u>
Total Expenditure	<u>1,741,700</u>	<u>1,839,800</u>
Surplus (-)Deficit	-35,500	-43,300

N.B. No information of an increase in income is available for the the Local Authority (NCHC) Rate from April 2025
New UK minimum wage rates will apply from April 2025.
Negotiations will take place in Scotland about Care Staff wage rates linked to the National Care Home Contract which is due to be renegotiated from April 2025. The agreed NCHC rate for 2024/25 may alter slightly once NHS pay rates from April 2024 have been settled.