Company registration number 00784499 (England and Wales)

THE ABBEYFIELD HOYLAKE & WEST KIRBY SOCIETY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

THE ABBEYFIELD HOYLAKE & WEST KIRBY SOCIETY LIMITED

COMPANY INFORMATION

Directors	Ms K Pike (Chair)	
	Mr P Fletcher	(Appointed 29 October 2025)
	Mrs S Gollins	(Appointed 1 February 2026)
	Mr A Downie	(Appointed 9 March 2026)
Company number	00784499	
Charity number	233269	
Registered office	Seafield House Darmonds Green West Kirby Wirral CH48 5DT	
Auditor	Lonsdale & Marsh 509 - 510 Cotton Exchange Bixteth Street Liverpool L3 9LQ	

THE ABBEYFIELD HOYLAKE & WEST KIRBY SOCIETY LIMITED

CONTENTS

	Page
Report of the executive committee	1 - 4
Independent auditor's report	5 - 7
Statement of income and retained earnings	8
Balance sheet	9
Notes to the financial statements	10 - 17

THE ABBEYFIELD HOYLAKE & WEST KIRBY SOCIETY LIMITED

REPORT OF THE EXECUTIVE COMMITTEE

FOR THE YEAR ENDED 31 MARCH 2026

The Executive Committee, the members of which are also directors for the purposes of company law, submits its 62nd annual report together with the audited financial statements for the year ended 31 March 2026.

Objectives and activities for public benefit

The principal activity of the Society, as determined by its memorandum of association, is to provide accommodation, care and companionship for lonely frail elderly people in accordance with the aims and principles of Abbeyfield England. There has been no change in the activities of the Society during the year.

The Executive Committee refer to the Charity Commission's general guidance on public benefit when reviewing the Society's aims and objectives and in planning future activities. In particular the Committee consider how planned activities will contribute to the aims and objectives they have set and how these will benefit the recipients in accordance with the aims and principles of the Society.

Status

The Society is a company limited by guarantee (number 00784499), having no share capital, and with solely charitable objectives and is registered as a charity (number 233269).

It is registered with Homes England (formerly the Homes and Communities Agency) as a registered provider of social housing (number H2854).

The Society is governed by a Memorandum and Articles of Association and was incorporated on 13th December 1963.

Organisation

The Articles of Association govern the appointment of the executive committee, which is charged with the management of the Society in furtherance of its principal activity, fund management and financial affairs generally. The executive committee shall consist of not less than three and not more than twenty six members. The executive committee has the power to appoint executive committee members to fill a casual vacancy. One third of the executive committee members must retire by rotation each year but are eligible for re-election. The executive committee meets on a monthly basis to monitor the day to day running and financial position of the Society. There are sub-committees relating to operations, chaired by the General Manager, reporting to the executive committee where decisions are made.

The Society is a member of Abbeyfield England to which it pays an annual affiliation fee.

Executive committee

The members who held office during the year and up to the date of signature of the financial statements were as follows:

Mr N J Farmer	(Resigned 29 September 2025)
Ms L Hitchcox	(Resigned 25 February 2026)
Ms S Leech	(Resigned 25 September 2025)
Mr A Yarwood	(Resigned 18 August 2025)
Ms K Pike (Chair)	
Mr A Burgess	(Resigned 28 November 2025)
Mr A Hughes	(Appointed 1 July 2025 and resigned 9 February 2026)
Mr P Fletcher	(Appointed 29 October 2025)
Mrs S Gollins	(Appointed 1 February 2026)
Mr A Downie	(Appointed 9 March 2026)

In accordance with the Society's Articles of Association Ms K Pike retires by rotation and Mr P Fletcher, Mrs S Gollins and Mr A Downie retire in their capacity as new members. All members, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

REPORT OF THE EXECUTIVE COMMITTEE (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

Review of activities and achievements during the year

This has proved to be a very challenging but ultimately positive year for the Society. Following on from the result of the Care Quality Commission (CQC) report in April 2025, which rated the Society as requires improvement, the Directors agreed that an in-depth review of all Society procedures was required and external consultants were appointed to lead on this. The Directors noted that whilst the overall rating was requires improvement, the care of residents was rated good. Following the resignation of the Care Manager an interim Care Manager was appointed whilst the recruitment of a new manager started. The Directors were regularly involved in the many discussions from which a detailed Service Development Plan was produced to rectify the non-compliance CQC had identified. This resulted in unbudgeted expenditure of approximately £73,000, which has been a major contributor to the expenses for the year ending March 2026. By the end of November, the consultant reported that the Society was now fully compliant, a new Care Manager had been appointed and CQC have now confirmed this appointment. A re-inspection from CQC is still awaited.

There has also been a major change to the Directors of the Society. Having served for more than six years, Nick Farmer and Sue Leech announced their intention to resign at the Annual General Meeting in September 2025. Lisa Hitchcox, who had been heavily involved in the rewriting and launching of the new policies and had served as a director for six years resigned in March 2026 to concentrate on her own business interests. Andrew Yarwood and Alan Burgess resigned to pursue other interests. Andrew Hughes, who was appointed a Director in August 2025, resigned for personal reasons in February 2026. Kate Pike agreed to act as Interim Chair from September 2025 and Sue Gollins and Andie Downie were appointed as directors early in 2026. Peter Fletcher was appointed Director at the 2025 Annual General Meeting. The Society is planning to appoint more Directors in the coming months.

Staff morale has remained high during this time and residents families have been very supportive of the care given to their relatives. Several families have sent reviews to Care Home UK resulting in a satisfaction score of 9.5, the maximum being 10. The range of activities continues to grow in their variety and are very popular with our residents. Fuller information on this is available on our Facebook page and on our website.

The project to develop Elliot House has been put on hold during the current difficult financial climate but will be kept under review and the Directors hope that the plans to develop Elliot house will be actioned in 2027.

The financial results for the year show the Society made a surplus of £17,402 (2025 deficit £26,445) which includes an increase in the valuation of investments of £44,460 (2025 £3,046).

The Directors would like to thank the staff, relatives, and friends of Lear House for their support during this period and are firmly of the opinion that the Society will continue to remain one of the best-known, professional, and most importantly, caring providers in the area.

Reserves and investment policies

The Society has always used its surplus free reserves - being funds not comprised of fixed assets or other designated reserves - to help fund the cost of improvements to the services and support provided to residents including helping to fund, in the past, the implementation and completion of housing property projects.

The aim of the Society is to have day to day running costs which will be funded by amounts received in respect of residents' charges.

The Executive Committee continues to review its reserves policy and has concluded that a level of free reserves of £370,000 (2025 - £370,000) is appropriate. This amount equates to approximately four months of normal expenditure requirements. The Committee considers that the level of free reserves is satisfactory.

REPORT OF THE EXECUTIVE COMMITTEE (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

Internal financial control
The Executive Committee acknowledges that it is responsible for the Society's system of internal financial control, which can only provide reasonable and not absolute assurance against material misstatement or loss.

All expenditure is controlled by the General Manager with the exception of specialist health care supplies which are authorised by the Care Manager. The General Manager, with the help of the bookkeeper, consolidates all the expenditure into monthly reports to produce internal management information. The management information and underlying data are reviewed regularly by the Executive Committee at their meetings and compared to budgets prepared at the beginning of each financial year.

Before the end of each year the management information is utilised to provide updated projected figures for the year and also to provide projected figures for the following year. These projections are prepared by management and reviewed by the Executive Committee. The Executive Committee monitors the actual expenditure and compares this to the budgeted expenditure. All major items of expenditure, whether or not anticipated by the Society's budgets, are approved by the Executive Committee and dealt with by the Society's Head Office. The Executive Committee meet monthly to manage the running of the Society and to ensure that we pursue developments in our services which will continue to meet the needs of older people, both now and in the future. The Executive Committee reviews its procedures on an annual basis.

Risk management
The Executive Committee has overall responsibility for ensuring that the Society has appropriate systems of controls, financial and otherwise. The systems of financial controls are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include an annual budget, approved by the Executive Committee, monthly reviews of actual results and variances from budget, and delegation of authority and segregation of duties as far as possible given staffing levels.

The Executive Committee has assessed the major risks to which the Society is exposed, in particular those related to the operations, finances and strategies of the Society, and is satisfied that systems are in place to mitigate exposure to the major risks.

Statement of Executive Committee responsibilities
The Executive Committee are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Executive Committee to prepare financial statements for each financial year. Under that law the Executive Committee have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Executive Committee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Society and of the surplus or deficit of the Society for that period. In preparing these financial statements, the Executive Committee are required to:

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

The Executive Committee are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Housing and Regeneration Act 2008. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor
In accordance with the Society's articles, a resolution proposing that Lonsdale & Marsh be reappointed as auditor of the Society will be put at a General Meeting.

REPORT OF THE EXECUTIVE COMMITTEE (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

Statement of disclosure to auditor

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

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

K J Pike

Ms K Pike (Chair)
Director
2 September 2026

THE ABBEYFIELD HOYLAKE & WEST KIRBY SOCIETY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE ABBEYFIELD HOYLAKE & WEST KIRBY SOCIETY LIMITED

Opinion

We have audited the financial statements of The Abbeyfield Hoylake & West Kirby Society Limited (the 'company') for the year ended 31 March 2026 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2026 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The 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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Executive Committee's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Executive Committee's report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Executive Committee's report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Executive Committee were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Executive Committee's report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Executive Committee's responsibilities statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE ABBEYFIELD HOYLAKE & WEST KIRBY SOCIETY LIMITED (CONTINUED)

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Society and determined that the most significant are those that relate to the Care Quality Commission requirements and those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included the following:

- the engagement partner ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- discussions with senior management;
- identified laws and regulations were communicated within the audit team who remained alert to instances of non-compliance throughout the audit.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including override of controls) and addressed the risk through:

- making enquires of those charged with governance as to their knowledge of actual, suspected and alleged instances of fraud;
- considering the internal controls in place to mitigate the risks of fraud.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing the minutes of meetings of those charged with governance;
- reviewing correspondence with professional advisors;
- reviewing for any transactions undertaken with related parties such as those charged with governance and/ or directors;
- checking expenses are bona fide transactions of the Society.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulations. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https:// www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Elaine Frances McElroy
Senior Statutory Auditor
For and on behalf of Lonsdale & Marsh

3 September 2026

Chartered Accountants
Statutory Auditor

509 - 510 Cotton Exchange
Bixteth Street
Liverpool
L3 9LQ

THE ABBEYFIELD HOYLAKE & WEST KIRBY SOCIETY LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £	2025 £
Income	3	1,276,444	1,269,336
Distribution costs		(1,086,043)	(1,025,521)
Administrative expenses		(295,592)	(217,177)
Other operating income		12,819	16,508
Exceptional item	4	-	(114,158)
Operating deficit	5	(92,372)	(71,012)
Interest receivable and similar income		40,506	41,494
Other gains and losses on fixed asset investments	7	69,268	3,073
Surplus/(deficit) before taxation		17,402	(26,445)
Tax on surplus/(deficit)		-	-
Surplus/(deficit) for the financial year		17,402	(26,445)
Retained earnings brought forward		3,643,198	3,669,643
Retained earnings carried forward		3,660,600	3,643,198

The income and expenditure account has been prepared on the basis that all operations are continuing operations.

THE ABBEYFIELD HOYLAKE & WEST KIRBY SOCIETY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Fixed assets					
Tangible assets	8		2,050,861		2,060,224
Investments	9		1,130,219		1,038,627
			3,181,080		3,098,851
Current assets					
Debtors	10	50,927		46,838	
Cash at bank and in hand		743,839		853,997	
		794,766		900,835	
Creditors: amounts falling due within one year	11	(315,246)		(356,488)	
Net current assets			479,520		544,347
Net assets			3,660,600		3,643,198
Reserves					
Income and expenditure account			3,660,600		3,643,198
Total members' funds			3,660,600		3,643,198

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 2 September 2026 and are signed on its behalf by:

Ms K Pike (Chair)
Director

Mrs S Gollins
Director

Company registration number 00784499 (England and Wales)

1 Accounting policies

Company information

The Abbeyfield Hoylake & West Kirby Society Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Seafield House, Darmonds Green, West Kirby, Wirral, CH48 5DT.

1.1 Basis of preparation

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

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

1.2 Income and expenditure

Income and expenses are included in the financial statements as they become receivable or due.

1.3 Tangible fixed assets

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

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

Land and buildings	100 years but see below
Land and buildings Leasehold	all land - nil
Fixtures, fittings & equipment	20% and 30% reducing balance

Freehold land is not depreciated on account of its indefinite useful life.

Financial Reporting Standard 102 states that all assets must be depreciated. The depreciable amount of an asset is calculated as cost less residual value. Under FRS 102 residual values are based on the price which an entity would currently obtain if it were to dispose of the asset less the estimated costs of disposal. The Committee have reviewed the policy on depreciation and consider that the current residual value of the properties is in excess of the costs and as such a provision for depreciation is not required.

1 Accounting policies **(Continued)**

Housing properties acquired (including land) on the open market are stated at cost less depreciation and impairment where applicable.

The cost of housing freehold land and property represents their purchase price and any directly attributable costs of acquisition. All invoices and architect's certificates relating to capital expenditure are included in the financial statements at the gross value provided that the expenditure incurred on the architect's certificates was completed by the end of the accounting year.

Directly attributable costs of construction includes capitalised interest calculated, on a proportional basis, using finance costs on borrowing which has been drawn in order to finance the relevant construction or acquisition.

Expenditure on major refurbishment to properties is capitalised where the works increase the net rental stream over the life of the property. An increase in the net rental stream may arise through an increase in the net rental income, a reduction in future maintenance costs, or a subsequent extension in the life of the property.

All other repair and replacement expenditure is charged to the Statement of Income.

1.4 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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

1.6 Cash and cash equivalents

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

1 Accounting policies **(Continued)**

1.7 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, less any impairment.

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

1.8 Taxation

The company is not carrying on a business for the purposes of making a profit and is therefore exempt from corporation tax.

1.9 Employee benefits

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

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

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

1.10 Retirement benefits

The Society operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable. The assets of the scheme are held separately from those of the Society in an independently administered fund.

1.11 Leases

As lessee

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.12 Repayable/recyclable capital grants

On the occurrence of certain relevant events, primarily change of use or the sale of dwellings, Homes England can direct the Society to recycle capital grants or to make repayments of the recoverable amount. Such amounts are disclosed in the balance sheet under "creditors due within one year".

1.13 Monetary donations

Income from donations and legacies is accounted for on a receivable basis when it is more likely than not that the economic benefits will flow to the Society and the amount of the income can be measured reliably.

1 Accounting policies (Continued)

1.14 Cash flows

The Society has taken advantage of the disclosure exemption in FRS 102 not to prepare a cash flow statement.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from residential charges

	2026	2025
Potential residential income	1,469,929	1,353,669
Losses arising from vacancies etc.	(193,485)	(84,333)
	1,276,444	1,269,336

Whilst pursuing the now suspended plans to amalgamate Elliot House with Lear House, as mentioned in the Executive Committee's Report, the Trustees have decided not to use the rooms within Elliot House for the foreseeable future. The potential residential income, as stated above, does not include income from these rooms. The units in management, disclosed in Note 11, do include these rooms as they are registered with CQC.

4 Exceptional item

	2026	2025
	£	£
Expenditure		
Exceptional item	-	114,158

As noted in last year's Executive Committee's Report the costs in connection with the proposed capital project to link Lear House and Elliot House were expected to be significantly higher than had originally been anticipated. Consequently the Directors decided not to continue with the project. Expenditure incurred to date, previously recorded within other debtors as assets in the course of construction, was written off.

5 Operating deficit

Operating deficit for the year is stated after charging/(crediting):	2026 £	2025 £
Fees payable to the company's auditor for the audit of the company's financial statements	7,560	7,416
Depreciation of owned tangible fixed assets	9,363	10,938
Operating lease charges	18,613	17,889

6 Employees

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

	2026 Number	2025 Number
Housing, support and care	33	32
Administration	4	4
	37	36

Their aggregate remuneration comprised:

	2026 £	2025 £
Wages and salaries	801,266	775,913
Social security costs	88,756	59,518
Pension costs	12,997	12,774
	903,019	848,205
Redundancy payments made or committed	-	-

7 Other gains and losses on fixed asset investments

	2026 £	2025 £
Gain on disposal of investments held at fair value	24,808	27
Increase/(decrease) in investments held at fair value	44,460	3,046
	69,268	3,073

8 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2025 and 31 March 2026	2,043,037	69,950	2,112,987
Depreciation and impairment			
At 1 April 2025	-	52,763	52,763
Depreciation charged in the year	-	9,363	9,363
At 31 March 2026	-	62,126	62,126
Carrying amount			
At 31 March 2026	2,043,037	7,824	2,050,861
At 31 March 2025	2,043,037	17,187	2,060,224

9 Fixed asset investments

	2026	2025
	£	£
Other investments other than loans	1,130,219	1,038,627

Fixed asset investments revalued

The listed investments are included in the financial statements at market value. The investment portfolio is managed by Rathbones Investment Management. The portfolio has been constructed in accordance with the Trustees' instructions regarding investment objectives and risk level. At the year end the cost of the investments was £1,059,619 (2025 £1,008,626).

Movements in fixed asset investments

	Investments
	£
Cost or valuation	
At 1 April 2025	1,038,627
Additions	211,736
Valuation changes	44,460
Disposals	(150,572)
Movement on income and capital accounts	(14,032)
At 31 March 2026	1,130,219
Carrying amount	
At 31 March 2026	1,130,219
At 31 March 2025	1,038,627

10 Debtors

	2026	2025
Amounts falling due within one year:	£	£
Rent outstanding	25,680	16,567
Other debtors	25,247	30,271
	50,927	46,838

11 Creditors: amounts falling due within one year

	Notes	2026	2025
		£	£
Homes England capital grant	12	234,540	234,540
Trade creditors		31,329	77,513
Taxation and social security		16,469	13,001
Other creditors		7,032	10,283
Accruals and deferred income		25,876	21,151
		315,246	356,488

12 Homes England capital grant

The Society is registered with Homes England. The grants were received in the 1980's for provision of social housing accommodation. Although not currently offering social housing accommodation the Society intends to review options available in order to provide social housing accommodation in the near future.

13 Housing stock

	2026	2025
Housing accommodation - number of bed spaces		
Units under development	-	-
Units in management	33	33

14 Members' liability

The Society is a company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

The members of the Society are the Executive Committee and the sub-committees. The total number of members at 31 March 2026 was 4 (2025 - 6)

15 Operating lease commitments

As lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2026	2025
	£	£
Total commitments	95,250	105,507

16 Capital commitments

There were no financial committments at the year end (2025 nil).

17 Related party transactions

Peter Fletcher was appointed a director on 29 October 2025. Throughout the year he was also an employee of the Society and received remuneration of £7,654.

With the exception of the above, none of the directors of the Society (or any persons connected with them) received any remuneration, expenses or benefits during the year (2025 none).

18 Contingent asset

The Society has been notified that they have been named as a beneficiary in a will and should expect to receive approximately £55,000. However, the firm of solicitors dealing with the deceased's estate has been closed due to an intervention by the Solicitors Regulation Authority. Legal costs have been incurred in appointing a solicitor to act on behalf of the beneficiaries. It is unclear, at this stage, whether any funds will be available to distribute amounts due to the beneficiaries. Due to the uncertainties a provision has not been made for any amount which may be paid to the Society in the future.

19 Non-audit services provided by auditor

In common with many businesses of our size and nature we use our auditor to assist with the preparation of the financial statements.

THE ABBEYFIELD HOYLAKE & WEST KIRBY SOCIETY LIMITED

DETAILED INCOME AND EXPENDITURE ACCOUNT UNAUDITED

FOR THE YEAR ENDED 31 MARCH 2026

	£	2026 £	£	2025 £
Income				
Residents' fees		1,241,115		1,234,769
Respite fees		35,329		34,567
		1,276,444		1,269,336
Other operating income				
Donations	2,070		11,508	
Insurance claims receivable	249		-	
Employment allowance	10,500		5,000	
		12,819		16,508
House operating expenses				
Wages and salaries	707,384		688,623	
Social security costs	77,676		52,227	
Staff training	9,883		7,128	
Staff pension costs defined contribution	11,311		11,186	
Agency caring services and nursing	52,817		-	
Food	48,420		47,131	
Rent re operating leases	16,952		16,282	
Water rates and council tax	15,070		12,262	
Cleaning inc. PPE costs	20,097		17,245	
Gardening costs	5,812		7,500	
Power, light and heat	39,794		35,319	
Property repairs and maintenance	47,062		97,058	
Insurance	9,253		8,926	
Telecommunications	128		91	
Residents' entertaining	7,744		8,238	
Sundry expenses	2,482		1,135	
CQC subscription	5,023		5,023	
Depreciation on household furniture and equipment	9,135		10,147	
		(1,086,043)		(1,025,521)
Balance carried forward		203,220		260,323

THE ABBEYFIELD HOYLAKE & WEST KIRBY SOCIETY LIMITED

DETAILED INCOME AND EXPENDITURE ACCOUNT UNAUDITED(CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

	£	2026 £	£	2025 £
Balance brought forward		203,220		260,323
Administrative expenses				
Wages and salaries	93,882		87,290	
Social security costs	11,080		7,291	
Staff pension costs defined contribution	1,686		1,588	
Health insurance	3,868		3,602	
Rent re operating leases	1,661		1,607	
Computer running costs	17,145		15,278	
Travelling expenses	128		145	
National affiliation fee	8,862		8,862	
Legal and professional - Worknest/Citation	4,614		4,341	
Legal and professional - Financial Planning	1,500		1,500	
Legal and professional - final costs re Elliot House	5,780		-	
Legal and professional - Homes England sub	683		-	
Legal and professiona; - Cognitio Partnership Ltd	26,130		-	
Legal and professional - general	1,585		1,492	
Legal and professional - Acton health & safety	4,480		6,000	
Legal and professional - Mareric Limited	46,649		-	
Rathbones management fees	7,763		7,401	
Non audit remuneration paid to auditors	-		240	
Audit fees	7,560		7,416	
Bank charges	239		238	
Bad and doubtful debts	485		-	
Contributions towards residents' fees	35,192		46,264	
Printing and stationery	2,972		2,043	
Advertising	9,609		10,506	
Telecommunications	151		56	
Sundry expenses	1,660		3,226	
Depreciation	228		791	
		(295,592)		(217,177)
Exceptional items				
Exceptional item	-		(114,158)	
Operating deficit		(92,372)		(71,012)
Investment revenues				
Bank interest received	11,565		11,405	
Dividends from investments measured at fair value	28,941		30,089	
		40,506		41,494
Balance carried forward		(51,866)		(29,518)

DETAILED INCOME AND EXPENDITURE ACCOUNT UNAUDITED(CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

	£	2026 £	£	2025 £
Balance brought forward		(51,866)		(29,518)
Other gains and losses				
Increase/(decrease) in value of investments measured at fair value	44,460		3,046	
Profit/(Loss) on disposal of investments measured at fair value	24,808		27	
		69,268		3,073
Surplus/(deficit) for the year		17,402		(26,445)