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The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Financial Statements

Year Ended 31 March 2026

Regulator for Social Housing registration number: H1167

Company registration number: 955757 (England & Wales)

Charity registration number: 262424

Docusign Envelope ID: 0AE34CE4-CF1F-8095-81EF-E5F9B67363A5

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Financial Statements

Year Ended 31 March 2026

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The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Registered Social Housing Provider Information

Year Ended 31 March 2026

Members of the Board	Mr P P Ashbrook (Chairman) Mr D Reading (appointed 23/06/2025) Ms K J Sheldon (deceased 25/09/2026) Ms M Brady (resigned 14/11/2025) Ms C J Hopcraft (resigned 29/09/2025) Ms R Stonestreet (resigned 06/09/2025) Mr I C Smith Mr G Wrzosek (resigned 04/08/2026) Mr J D Eversham (resigned 09/05/2025) Mr G B Adeleke (resigned 03/09/2025) Ms L Hoteit (resigned 12/11/2025)
Registered office	Annett House Common Gardens Potten End Berkhamsted Hertfordshire HP4 2RH
Auditor	Hillier Hopkins LLP Radius House 51 Clarendon Road Watford Hertfordshire WD17 1HP
Solicitors	Austins Penny & Thorne 175 High Street Berkhamsted Hertfordshire HP4 3HG
Bankers	Barclays Bank PLC Lloyds Bank PLC
Regulator for Social Housing registration number	H1167
Company registration number	00955757 (England & Wales)
Charity registration number	262424

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The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Board Report

The board of The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited present their report and the audited financial statements of the Society for the year ended 31 March 2026.

Members of the board

The members of the board who have served during the year are as follows:

Mr P P Ashbrook (Chairman)
Mr D Reading (appointed 23/06/2025)
Ms K J Sheldon (deceased 25/09/2026)
Ms M Brady (resigned 14/11/2025)
Ms C J Hopcraft (resigned 29/09/2025)
Ms R Stonestreet (resigned 06/09/2025)
Mr I C Smith
Mr G Wrzosek (resigned 04/08/2026)
Mr J D Eversham (resigned 09/05/2025)
Mr G B Adeleke (resigned 03/09/2025)
Ms L Hoteit (resigned 12/11/2025)

Review of activities

The principal activity of the Society is to provide supported sheltered housing accommodation for lonely and elderly people in accordance with the aims and principles of the national Abbeyfield Society. Each year the Directors review the Society's objectives and activities to ensure that they continue to reflect its aims; in carrying out this review the Directors, who are also charitable trustees, have considered the Charity Commission's guidance on public benefit. The Society aims to offer equal and fair access to all eligible older people and the Society aims to be affordable to all. Financial assessments do not play a part in the selection process, but the Society will discuss with applicants the charges and how they plan to meet them; where appropriate the Society will facilitate access to advice about claiming benefits and provide any information in support of a resident's claim.

A review of the current level of staff coverage within the houses took place and a more robust staff structure was established, and recruitment of staff began. The Society has focused on increasing the level of cover within the Society, to ensure that the residents and sponsors have increased visibility of management and have an improved service provided by skilled staff.

Results for the year and reserves policy

The Society reports a surplus of £58,339 for the year under review (2025: £53,429). We have experienced times of reduced income within the houses due to short term voids (6% in 2026, 4% in 2025) which have occurred due to residents moving on. The society has continued to focus on completing the outstanding repairs and maintenance that was placed on hold due to the previous COVID -19 restrictions as a result there has been an increase compared to the previous year.

The Society's reserves stand at £1,633,987 of which £516,104 is held in cash. In the first instance, this would be required to cover at least six months' cash operating costs in the event of an emergency and is therefore considered adequate. It is the policy of the Directors to utilise any further surpluses which arise to maintain and improve the physical condition of the Society's houses.

Future developments

The Society wishes to ensure a safe and happy environment in its houses, but the Directors will not take any action which could threaten the safety of the residents and will continue to follow the guidance and advice issued by the government and by health and regulatory bodies as far as imposing and lifting restrictions on access to the houses is concerned. The Directors are confident that reserves are adequate to protect the Society's financial position in the present circumstances.

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The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Board Report

The Society will aim to continue to invest in refurbishing and modernising the accommodation of the three supported sheltered houses which it owns, and the Directors will continue to use all generated operating surpluses to improve the quality of the houses as well as maintain an appropriate level of cash reserves to fund the operations of the Society.

The Board, which is wholly comprised of volunteers, will continue to seek new members who can contribute to the work of the Society and take it forward in planning for the future. The roles of paid staff are being developed to the extent permitted by available funding to ensure that the houses are run professionally and are not adversely affected by the absence of volunteers.

Governance

The Society is bound by the Governance and Financial Viability Standard issued by the Regulator of Social Housing and by the Charity Commission's Code of Governance. The Directors are of the view that compliance with these codes is best achieved by continuous adherence to the Core Standard set by the national Abbeyfield Society with which the Society has in the past achieved full compliance. The Core Standard will shortly be replaced by the Quality Standard with which the Society will comply.

The Directors keep under regular review the risks to which the Society may be exposed, and the means of mitigating such risks, and they acknowledge their ultimate responsibility for ensuring that the Society has in place a system of controls that is appropriate to the business environment in which the Society operates.

The Directors find that after making enquiries they have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

Directors' responsibilities

The Board is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulation.

Company law and social housing legislation requires the Board to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law the Board 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 Board members are required to:

- select suitable accounting policies and apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice "Accounting by Registered Social Housing Providers 2018" and FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Society will continue in business.

Board members 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, the Housing and Regeneration Act 2008 and the Accounting Direction for Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the Society and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Board Report

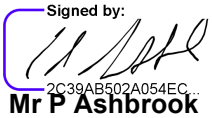
Board members are responsible for ensuring that the Report of the Board is prepared in accordance with the Statement of Recommended Practice "Accounting by Registered Social Housing Providers 2018" and FRS 102. The Board is responsible for ensuring that the assets of the Society are properly applied under charity law.

Disclosure of information to the auditors

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the Board

Signed by:

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Mr P Ashbrook

Chairman

Date 29-09-2026

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The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Independent Auditor's Report to the Members of The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Opinion

We have audited the financial statements of The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited (the 'association') for the year ended 31 March 2026 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Reserves, Statement of Cash Flows and the 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 association's affairs as at 31 March 2026, and of its income and expenditure 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, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022.

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 association 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 board'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 association'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 board with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The board are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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Independent Auditor's Report to the Members of The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited (continued)

Matters on which we are required to report by exception
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:

- the association has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation; or
- the revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the association's books of account; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the board
As explained more fully in the board's responsibilities statement set out on page 4, the board 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 it 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 board are responsible for assessing the association'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 board either intends to liquidate the association or to cease operations, or has 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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;

- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management, about their own identification and assessment of the risks of irregularities;

- any matters we identified having obtained and reviewed the association's documentation of their policies and procedures relating to:
    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
    - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;

- the matters discussed among the audit engagement team, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

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Auditor's responsibilities for the audit of the financial statements (continued)

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the association operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to the Companies Act 2006 the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk 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/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx

This description forms part of our auditor's report.

Use of our report
This report is made solely to the association's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the association'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 association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Louise Cherry
67DAA1BAA6B2430...
Louise Cherry ACA (Senior Statutory Auditor)

For and on behalf of
Hillier Hopkins LLP

Chartered Accountants
Statutory Auditor

Radius House
51 Clarendon Road
Watford
Hertfordshire
WD17 1HP

Date 29-09-2026

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The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Statement of Comprehensive Income (Including Income and Expenditure Account)

Year Ended 31 March 2026

	Note	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Turnover	2	733,337	730,471
Operating costs	2,3	(701,618)	(682,781)
Operating surplus		**31,719**	**47,690**
Interest receivable and similar income	5	26,620	5,739
Surplus for the year before and after tax		**58,339**	**53,429**
Total comprehensive income for the year		**58,339**	**53,429**

All of the above amounts relate to continuing operations.

There were no recognised gains or losses other than the surplus for the year stated above.

The notes on pages 12 to 20 form part of these financial statements

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The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Statement of Financial Position

Year Ended 31 March 2026

	Note	2026 £	2025 £
Fixed assets			
Tangible fixed assets	12,13	1,283,148	1,126,354
		1,283,148	**1,126,354**
Current assets			
Debtors	15	5,608	6,878
Cash at bank and in hand		516,104	599,709
		521,712	**606,587**
Creditors: amounts falling due within one year	16	(38,780)	(20,510)
Net current assets		**482,932**	**586,077**
Total assets less current liabilities		**1,766,080**	**1,712,431**
Creditors: amounts falling due after more than one year	17	(132,093)	(136,783)
Total net assets		**1,633,987**	**1,575,648**
Reserves			
Income and expenditure reserve	19	**1,633,987**	**1,575,648**

The financial statements were approved and authorised for issue by the Board.

Signed on behalf of the Board:

Signed by:
2C39AB502A054EC...
Mr P Ashbrook
Director
Date: 29-09-2026

Signed by:
77776169337941F...
Mr D Reading
Director
Date: 29-09-2026

The notes on pages 12 to 20 form part of these accounts.

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The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Statement of Changes in Reserves

Year Ended 31 March 2026

Income and Expenditure Reserve

	£
At 1 April 2025	1,575,648
Surplus for the year	58,339
At 31 March 2026	**1,633,987**

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The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Statement of Cash Flows

Year Ended 31 March 2026

	Note	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Cash flow from operating activities			
Operating surplus for the year	2	31,719	47,690
Adjustments for:			
Depreciation of fixed assets: housing properties	12	53,676	44,490
Depreciation of fixed assets: fixtures, fittings and equipment	13	39,092	39,759
Amortisation of capital grant	18	(4,690)	(4,447)
Decrease/(Increase) in debtors		1,270	(1,278)
Increase/(Decrease) in creditors		18,270	(3,759)
Net cash inflow from operating activities		**139,337**	**122,455**
Cash flow from investing activities			
Interest received		26,620	5,739
Purchase of fixed assets	12/13	(249,562)	(167,780)
Net cash inflow/(outflow) from investing activities		**(222,942)**	**(162,041)**
Net increase/(decrease) in cash and cash equivalents		**(83,605)**	**(39,586)**
Opening Cash and cash equivalents at 1 April		**599,709**	**639,295**
Closing Cash and cash equivalents at 31 March		**516,104**	**599,709**
Cash and cash equivalents consists of:			
Cash at bank and in hand		516,104	599,709
Closing Cash and cash equivalents at 31 March		**516,104**	**599,709**

Analysis of Net Debt

	At 1 April 2025 £	Cash flows £	At 31 March 2026 £
Cash at bank and in hand	599,709	(83,605)	516,104

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1 Summary of significant accounting policies

(a) General information and basis of preparation

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited is a company limited by guarantee not having a share capital, a registered charity and a private registered provider of social housing in the United Kingdom. The address of the registered office is given in the information on page 1 of these financial statements. The nature of the Society's operations and principal activities are the provision of supported sheltered accommodation for the elderly.

The Society constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS 102), the Statement of Recommended Practice (SORP) for Social Housing Providers 2018, and with the Accounting Direction for private registered providers of social housing in England 2022. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the Society.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Going concern

As at the year end, the company had net current assets of £482,932 and generated a surplus of £58,339 before other comprehensive gains/losses. The members of the board have taken steps to manage the cash flow during the year in review and continue to monitor budgets for the next 12 months accordingly. Having due regard to these matters and after making appropriate enquiries, the board members have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore, the board members continue to adopt the going concern basis in preparing these Financial Statements.

(c) Tangible fixed assets

Tangible fixed assets (including social housing properties) are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, development costs, interest charges on loans during the development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or results in a significant extension of the useful economic life of the property.

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(c) Tangible fixed assets (continued)

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Housing properties	Over 50 years
Improvements and refurbishments to housing properties	Over 20 years
Fixtures, fittings and equipment	Over 10-15 years

Housing properties under construction are not depreciated until they are in use.

Major components of housing properties, such as lifts, heating and warden alarm systems, have been accounted for and depreciated separately from the connected housing property, over their expected useful economic lives and are included in fixtures, fittings and equipment.

The useful economic lives of all tangible fixed assets are reviewed annually.

(d) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in other administrative expenses.

(e) Impairment

The Society's housing properties are assessed for indicators of impairment at each balance sheet date. If such indication exists, the recoverable amount is estimated and compared to the carrying amount. Where the carrying amount exceeds the recoverable amount, an impairment loss is recognised in expenditure through the statement of comprehensive income.

(f) Tax

The Society has charitable status and is not in general subject to Corporation Tax.

The Society is not registered for VAT.

(g) Turnover and other income

Turnover is measured at the fair value of the consideration received or receivable net of trade discounts. It represents rental and service charges income receivable in the year, net of rent and service charge losses from voids.

Interest receivable

Interest income is recognised using the effective interest method.

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(g) Turnover and other income (continued)

Revenue grants

Revenue grants receivable that are not subject to performance-related conditions are included within income from legacies and donations.

(h) Employee benefits

Pension costs

The Society operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed as they become payable.

Holiday pay accrual

A liability is recognised for the salary cost of any unused holiday pay entitlement which has accrued at the balance sheet date and has been carried forward to future periods.

(i) Restricted and endowment reserves

Restricted and endowment reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Restricted reserves include funds raised in response to a specific appeal. Revenue and expenditure cannot be directly set against restricted and endowment reserves but is taken through the statement of comprehensive income and then a transfer to restricted and endowment reserves is made as appropriate.

(j) Judgements and key sources of estimation uncertainty

In preparing these financial statements the key judgement that has been made is in respect of whether there are indicators of impairment of the Society's housing properties.

The key source of estimation uncertainty lies in the assessment of the useful lives of the Society's housing properties and other tangible fixed assets, which determines the charge for depreciation made in the Comprehensive Income and Expenditure Statement.

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2 Turnover, operating costs and operating surplus

Year ended 31 March 2026

	Turnover	Operating Costs	Operating surplus
	£	£	£
Social housing lettings (note 3)	729,531	(701,618)	27,913
Legacies and donations	3,806	-	3,806
Total	**733,337**	**(701,618)**	**31,719**

Year ended 31 March 2025

	Turnover	Operating Costs	Operating surplus
	£	£	£
Social housing lettings (note 3)	728,363	(682,781)	45,582
Legacies and donations	2,108	-	2,108
Total	**730,471**	**(682,781)**	**47,690**

3 Particulars of turnover and operating costs from social housing

	Year ended 31 March 2026	Year ended 31 March 2025
	£	£
Turnover		
Rent receivable net of void losses	724,841	723,916
Capital grants released to income	4,690	4,447
Turnover from social housing lettings	**729,531**	**728,363**
Operating costs		
Management and administration	150,284	143,452
Service costs	410,574	412,586
Routine repairs and maintenance	47,722	42,494
Major repairs expenditure	270	-
Depreciation of housing properties	53,676	44,490
Other costs	39,092	39,759
Operating costs on social housing lettings	**701,618**	**682,781**
Operating surplus on social housing lettings	**27,913**	**45,582**
Void losses	**42,208**	**26,098**

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4 Accommodation owned and in management

	Number of units at 31 March 2026	Number of units at 31 March 2025
Completed units:		
Supported housing for the elderly	35	35

5 Interest and other finance income and charges

	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Bank interest receivable	26,620	5,739

6 Surplus on ordinary activities

Surplus on ordinary activities is stated after charging:

	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Auditors' remuneration	14,300	12,540
Depreciation of housing properties	53,676	44,490
Depreciation of other tangible fixed assets	39,092	39,759

7 Staff costs

The average monthly number of employees, calculated on a full-time equivalent basis, during the year was 16.29 (2025: 11.8). The aggregate remuneration of such employees was as follows:

	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Wages and salaries	314,735	312,438
Social security	20,943	17,379
Pension fund contributions	6,622	6,137
	342,300	**335,954**

Docusign Envelope ID: 0AE34CE4-CF1F-8095-81EF-E5F9B67363A5

7 Staff costs (continued)

No employees received more than £60,000 as their employee package.

8 Related party disclosures

During the year, one trustee, who is also a director, received reimbursement of £452 in respect of goods, services and consumables purchased on behalf of the company (2025: three trustees received reimbursement of £992).

9 Pensions and other post-retirement benefits

The Society operates a defined contribution pension plan for its employees. The amount recognised as an expense in the year is disclosed at note 7 above.

10 Tax

The Society has charitable status and is not in general subject to Corporation Tax.

11 Value for Money metrics

The Regulator of Social Housing requires registered providers to articulate and deliver a comprehensive and strategic approach to achieving value for money in meeting their organisation's objectives. As part of that process, providers are required to publish evidence which enables stakeholders to understand their performance. This evidence includes certain metrics set out below. Other metrics required by the Regulator are not applicable to the Society which has not developed housing for some time and is debt free.

	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Reinvestment in housing stock by reference to cost of stock	8.8%	7.1%
Social housing cost per unit	17,238	16,320
Operating margin by reference to turnover		
- Social housing only	3.8%	6.3%
- All activities	4.3%	6.5%

Docusign Envelope ID: 0AE34CE4-CF1F-8095-81EF-E5F9B67363A5

12 Tangible fixed assets: housing properties

	£
Cost:	
At 1 April 2025	**2,038,773**
Additions	197,667
At 31 March 2026	**2,236,440**
Depreciation:	
At 1 April 2025	**1,055,417**
Charge for the year	53,676
At 31 March 2026	**1,109,093**
Net book value:	
At 31 March 2026	**1,127,347**
At 1 April 2025	983,356

All housing properties are held freehold.

13 Tangible fixed assets: fixtures, fittings and equipment

	£
Cost:	
At 1 April 2025	369,094
Additions	51,895
At 31 March 2026	**420,989**
Depreciation:	
At 1 April 2025	226,096
Charge for the year	39,092
At 31 March 2026	**265,188**
Net book value:	
At 31 March 2026	**155,801**
At 1 April 2025	142,998

14 Capital commitments

The company as at year end has committed to spending £8,780 on capital expenditure relating to refurbishment works for Annett and St Mary's House.

Docusign Envelope ID: 0AE34CE4-CF1F-8095-81EF-E5F9B67363A5

15 Debtors

	2026 £	2025 £
Prepayments and accrued income	5,279	6,878
Other debtors	329	-
	5,608	**6,878**

16 Creditors: amounts falling due within one year

	2026 £	2025 £
Trade creditors	11,211	9,765
Tax and social security	6,368	4,952
Deferred capital grants (note 18)	4,416	4,416
Other creditors	2,399	1,377
Accruals	14,386	-
	38,780	**20,510**

17 Creditors: amounts falling due after more than one year

	2026 £	2025 £
Deferred capital grants (note 18)	132,093	136,783
	132,093	**136,783**

18 Deferred capital grants

	2026 £	2025 £
At 1 April 2025	141,199	145,646
Released to income during the year	(4,690)	(4,447)
At 31 March 2026	**136,509**	**141,199**

Docusign Envelope ID: 0AE34CE4-CF1F-8095-81EF-E5F9B67363A5

18 Deferred capital grants (continued)

	2026 £	2025 £
Included in amounts falling due within one year	4,416	4,416
Included in amounts falling due after more than one year	132,093	136,783
At 31 March 2026	**136,509**	**141,199**

Deferred capital grants represent the unamortised portions of historic capital grants (Social Housing Grants) given for the acquisition of land and development of buildings completed in prior years. In accordance with FRS 102 these are disclosed within creditors.

19 Reserves

Income and expenditure reserve

The income and expenditure reserve represents cumulative surplus and deficits net of other adjustments.

	2026 £	2025 £
At 1 April 2025	1,575,648	1,522,219
Surplus for the year	58,339	53,429
At 31 March 2026	**1,633,987**	**1,575,648**

20 Company limited by guarantee

The Society is a company limited by guarantee, not having a share capital.

There are five members (2025: eight), each of whom has agreed to contribute to the assets of the company such a sum as may be required on winding up but not exceeding £1 per member.

21 Post balance sheet event

Subsequent to the year end, the Society has continued discussions regarding a proposed merger with Abbeyfield Kings Langley Society Limited ("AKLS"), with a target completion date of 30 September 2026. Prior to the year end, both organisations had agreed in principle to pursue a merger and had commenced the necessary due diligence and consultation processes. Following the year end, solicitors were appointed by both parties, and formal merger documentation was prepared and reviewed. The proposed merger represents a non-adjusting event after the reporting period. No adjustment has therefore been made to these financial statements. The financial effect of the proposed merger cannot be reliably estimated at the date these financial statements were approved.

Docusign Envelope ID: 0AE34CE4-CF1F-8095-81EF-E5F9B67363A5

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Detailed Income and Expenditure Account

Year Ended 31 March 2026

		Year ended 31 March 2026 £		Year ended 31 March 2025 £
INCOME				
Residential Charges Receivable		767,049		750,014
Losses arising from Vacancies & Absences		(42,208)		(26,098)
Capital grants released to income		4,690		4,447
Turnover from Social Housing Lettings		**729,531**		**728,363**
Donations and Fund Raising		3,806		2,108
Bank Deposit Interest		26,620		5,739
TOTAL INCOME		**759,957**		**736,210**
EXPENDITURE				
Management & Administration				
Insurance	7,592		5,195	
Membership - The Abbeyfield Society and other regulators	12,521		12,293	
Subscriptions and marketing	1,851		792	
Auditors Remuneration	14,300		12,540	
Legal and Professional Fees	3,896		4,591	
Bank Charges	502		638	
Administration salary costs	99,765		93,078	
Administrative Expenses	9,857		14,325	
		150,284		143,452
Service Costs				
Employee Costs	242,535		242,876	
Staff Training and Advertising	8,749		12,152	
Travel and Subsistence	1,342		1,908	
Food	55,141		53,218	
Heating and Lighting	51,398		49,675	
Garden and Other Household costs	10,378		14,459	
Water rates	6,421		4,552	
Council Tax	8,615		8,216	
Alarm System	5,604		5,958	
Printing, Stationery and Postage	910		1,239	
Telephone	8,123		7,045	
Gifts and Donations	279		(1,055)	
Computer expenses	-		692	
Social Activities	3,632		3,354	
Miscellaneous	2,947		803	
Window cleaning	2,252		2,185	
Equipment replacement	2,248		5,309	
		410,574		412,586
Routine Repairs & Maintenance		47,722		42,494
Major Repairs Expenditure		270		-
Depreciation of housing properties		53,676		44,490
Other depreciation		39,092		39,759
TOTAL EXPENDITURE		**701,618**		**682,781**
TOTAL SURPLUS FOR THE YEAR		**58,339**		**53,429**

This page does not form part of the audited financial statements

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Hillier Hopkins LLP
Chartered Accountants
And Tax Advisers

DRAFT
This report is subject to change pending finalisation of the audit.

Audit Findings Document

For Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Y/E 31st March 2026



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Dear Trustees

Audit Findings Document for The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited for the year ended 31 March 2026

This Audit Findings Document presents the observations and matters which came to our attention during the conduct of our normal audit procedures which are considered to be significant, as required by International Standard on Auditing (UK) 260.

The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements. We would be grateful if you could provide comments against each point where appropriate within the report and return it to us in due course.

We would like to take this opportunity to thank the finance team and other staff for their assistance provided during the course of our audit.

Yours faithfully

Louise Cherry

Responsible Individual
For and on behalf of
Hillier Hopkins LLP

This report has been prepared solely for your benefit and should not be quoted or copied in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting, on the basis of the content of this report. The content of this report is not a comprehensive record of all the relevant matters, and may be subject to change.

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Audit approach and status

The audit approach, as detailed in our Audit Planning Document, was determined by our assessment of the audit risk, both in terms of the potential misstatement in the financial statements and of the control environment in which the company operates.

In summary, our approach has been to:

- update our understanding of the organisation and its environment;
- review the design and implementation of key internal financial control systems; and
- plan and perform an audit with professional scepticism recognising that circumstances may exist that cause the financial statements to be materially misstated. This includes the risk of material misstatements due to non-compliance with laws and regulations and fraud.

Opinion

Our work is complete and our audit report opinion (in accordance with ISAs (UK) 700/705/706) will be: **Unmodified**

Status

- Likely to result in material adjustment or significant change to disclosures
- Potential to result in material adjustment or significant change to disclosures
- Not considered likely to result in material adjustment or change to disclosures

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Key audit matters

This section provides commentary on the risks identified in our Audit Planning Document along with a summary of the testing performed and any key issues identified:

	Risks identified at planning	Commentary
1	**Misstatement of income** Under ISA (UK) 240 there is a rebuttable presumed risk that revenue recognition may be materially misstated due to fraud.	To address this risk, we have performed the following key audit procedures: • Review and testing of revenue recognition policies • Detailed substantive testing of revenue on a sample basis • Analytical review to identify and corroborate unusual movements • Reviewed sales journals at the period end for unusual transactions. We have not identified any material audit issues in relation to our audit work.
2	**Management override and bias** Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management override of controls is present in all entities.	To address this risk, we have performed the following key audit procedures: • Review of accounting estimate, judgments and decisions including those noted in the critical accounting estimates and areas of judgement section of the financial statements • Testing of journal entries • Review of unusual significant transactions We have not identified any material audit issues in relation to our audit work.

(ISA (UK) 315) "Significant risks often relate to significant non-routine transactions and judgmental matters. Non-routine transactions are transactions that are unusual, due to either size or nature, and that therefore occur infrequently. Judgmental matters may include the development of accounting estimates for which there is significant measurement uncertainty."

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Management letter

This section provides commentary on any weaknesses identified during our testing of the design and implementation of the internal control environment appropriate in accordance with ISA (UK) 265. An audit is not designed to test all internal controls or identify all areas of control weakness, it is directed towards forming and expressing an opinion on the financial statements. In consequence, our work cannot be relied upon to disclose any or all issues, or to include all possible improvements in internal control that may exist.

	Significance	Weakness and potential consequences	Recommendation	Management's response / timescale for implementation
1	●	**Creditors** We noted during our post year-end invoice review testing that some transactions which related to 31st March 2026 had not been accrued. These amounted to £2,986 and an adjusting journal was posted.	We recommend reviewing all post-year end invoices to ensure all liabilities relating to goods or services received before the year end are identified and recorded in the correct accounting period.	Currently reviewing best practice and finance dept structure to ensure that this is actioned Restructure planned within next 2 months
2	●	**Wages** We noted during our employee existence testing that no photographic ID was available for one employee. This employee left during the financial year, so we were unable to obtain a copy.	We recommend obtaining and retaining appropriate employee identification documents for all employees at the point of onboarding.	Acknowledged

Assessment
- ● Significant – risk of significant misstatement
- ● Deficiency – risk of minor misstatement

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Management letter (continued)

	Significance	Weakness and potential consequences	Recommendation	Management's response / timescale for implementation
3	●	**Remuneration** During our audit, we identified that an accrual reversal was posted for an expense that had not been accrued in the prior year financial statements. Posting reversals for accruals that were not recognised in the prior year may lead to misstatements in the profit and loss account. This amounted to £3,096 and an adjusting journal was posted.	We recommend ensuring that accrual reversals are only posted where a valid accrual existed at the previous year end. Prior year accrual schedules should be reviewed and reconciled before automatic or manual reversal journals are processed.	Currently reviewing best practice and finance dept structure to ensure that this is actioned Restructure planned within next 2 months
4	●	**Repairs & Maintenance** It was noted that assets were recognised within repairs and maintenance instead of being capitalised per the capitalisation policy. This leads to an understatement of assets and overstatement of expenses.	We recommend assets should be capitalised in line with the capitalisation policy. Journals should be processed on the invoice date or monthly basis to move assets into additions. Internal controls should be reviewed accordingly.	Currently reviewing best practice and finance dept structure to ensure that this is actioned Restructure planned within next 2 months
5		**Changes in FRS102** We want to bring to your attention some changes in accounting standards effective 1st Jan 2026, impacting lease and revenue recognition.	We recommend reviewing these upcoming changes, assessing the potential impact and calculating the effect of any required changes to the accounting policies. Further details can be found on pages 18 to 20 of this document.	Acknowledged and will review

Assessment
- ● Significant – risk of significant misstatement
- ● Deficiency – risk of minor misstatement

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Update on audit findings of prior years

This section provides an update on the audit findings raised in prior years, and the progress made by Management in remediating the issues identified:

	Significance	Issue previously reported	Current status	Management's response / timescale for implementation
1	●	**Creditors** We noted during testing that some trade creditors were cleared post audit but back dated into the previous period. This meant that the aged creditors schedule did not agree to the brought balances per the prior year signed accounts.	Issue not noted in current year.	Acknowledged
2	●	**Bank** It was noted that interest was not moved out of the society deposit account into income upon maturity. This results in an understatement of income and misstatement of balances in the financial statements.	Issue remains in current year.	Currently reviewing best practice and finance dept structure to ensure that this is actioned Restructure planned within next 2 months

Assessment
- ● Significant – risk of significant misstatement
- ● Deficiency – risk of minor misstatement

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Update on audit findings of prior years (continued)

	Significance	Issue previously reported	Current status	Management's response / timescale for implementation
3	●	**Creditors** It was noted that a refund relating to an invoice was recorded within creditors, when it should have been credited to the profit and loss account. This misclassifies income and overstates liabilities.	Issue not noted in current year.	Currently reviewing best practice and finance dept structure to ensure that this is actioned Restructure planned within next 2 months
4	●	**Creditors** It was noted that no accruals were recorded at year-end for audit fees and energy/gas expenses. This results in an understatement of liabilities and expenses.	Issue remains in current year.	Currently reviewing best practice and finance dept structure to ensure that this is actioned Restructure planned within next 2 months
5	●	**Repairs & Maintenance** It was noted that assets were recognised within repairs and maintenance instead of being capitalised per the capitalisation policy. This leads to an understatement of assets and overstatement of expenses.	Issue not noted in current year.	Currently reviewing best practice and finance dept structure to ensure that this is actioned Restructure planned within next 2 months

Assessment
- ● Significant – risk of significant misstatement
- ● Deficiency – risk of minor misstatement

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Update on audit findings of prior years (continued)

	Significance	Issue previously reported	Current status	Management's response / timescale for implementation
6	●	**Assets** It was noted that the fixed asset register does not show the exact date of asset purchase. This affects the accuracy of depreciation calculations and asset tracking.	Issue not noted in current year.	Currently reviewing best practice and finance dept structure to ensure that this is actioned Restructure planned within next 2 months
7	●	**Assets** It was noted that depreciation is applied on a yearly basis rather than monthly. This approach can lead to a material misstatement in the profit and loss account, particularly where high-value assets are involved or where assets are acquired throughout the year. It also results in a timing mismatch between the use of the asset and the recognition of the related expense.	Issue remains in current year.	Currently reviewing best practice and finance dept structure to ensure that this is actioned Restructure planned within next 2 months

Assessment
- ● Significant – risk of significant misstatement
- ● Deficiency – risk of minor misstatement

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Update on audit findings of prior years (continued)

	Significance	Issue previously reported	Current status	Management's response / timescale for implementation
8	●	**Assets** It was noted that assets with different invoice dates were grouped together in the fixed asset register. This can distort depreciation and asset lifecycle tracking.	Issue not noted in current year.	Currently reviewing best practice and finance dept structure to ensure that this is actioned Restructure planned within next 2 months

Assessment
- ● Significant – risk of significant misstatement
- ● Deficiency – risk of minor misstatement

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Other communication requirements:

This section documents a number of other communication requirements, prescribed by the ISAs which are summarised below:

ISA (UK)	Matter	Auditor findings
240	Fraud	We have not been made aware of any incidents by yourselves or identified during the course of our audit any instances of fraud.
250	Laws and regulations	We are not aware of any significant incidences of non-compliance.
260	Significant qualitative matters: • Accounting policies • Estimates • Judgements	We have reviewed the presentation and accounting of all material qualitative matters in the financial statements and have nothing to report beyond any other matter detailed in this report.
260	Significant difficulties encountered during the audit	We are pleased to report that we did not encounter any significant difficulties during the course of our audit.
260	Written representations	Representations will be requested from management with regard to specific matters concerning judgement, estimation and other matters.
550	Related parties	We are not aware of any related party transactions which have not been disclosed in the financial statements.

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Independence and non-audit services

The primary objective of an audit is for us to provide independent assurance to members that the directors have prepared the financial statements properly. The credibility of this depends on beliefs concerning the integrity, objectivity and independence of the firm or covered persons and the work that they perform. Therefore all our audits are conducted with integrity, objectivity and independence, as these are the overarching ethical principles. The Financial Reporting Council's (FRC) Ethical Standard and ISA (UK) 260 require us to give you timely disclosure of matters relating to our independence. We disclose the following to you:

- We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention.

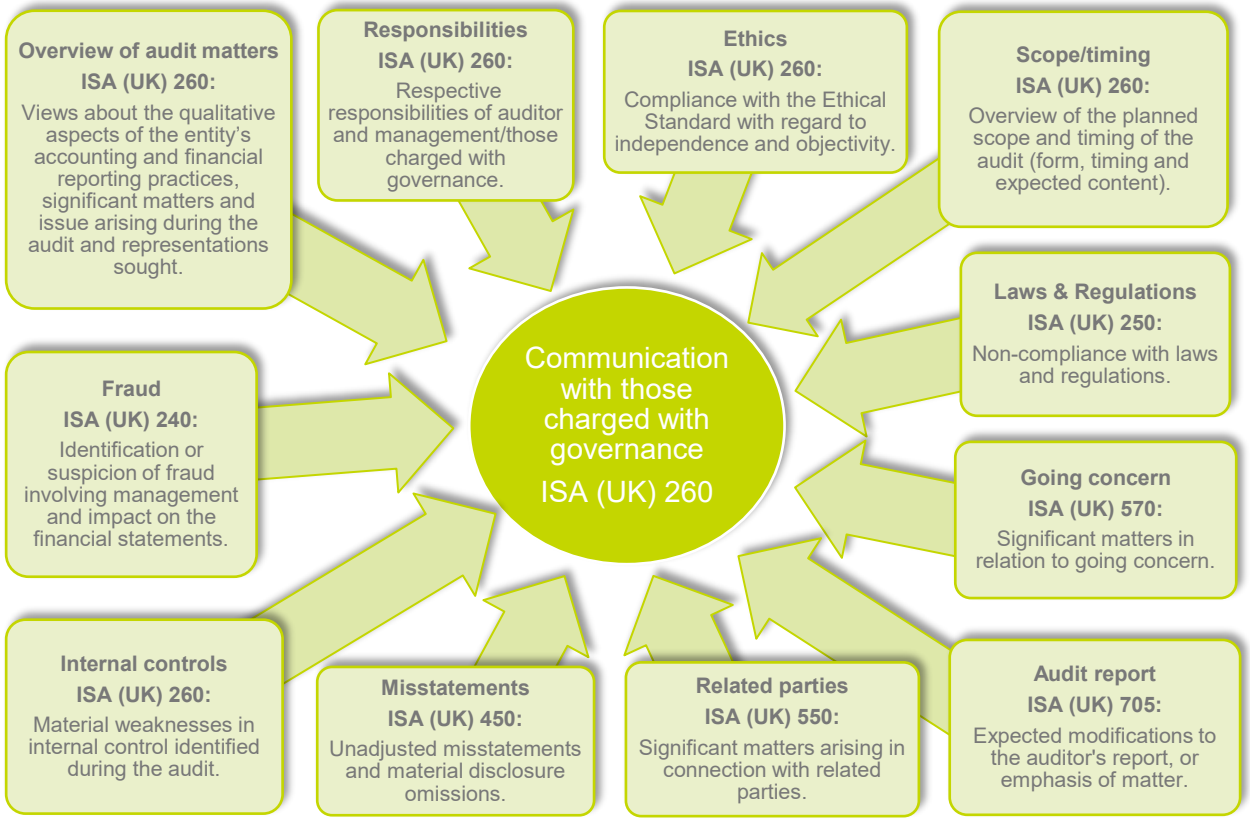
Non-audit service	Fees	Threat?	Safeguard(s) in place
Accounts preparation	£2,850	Self-review / management	Informed management – Karen Sheldon Other non-audit services performed by non-audit staff Provisions available for small entities (PAASE) alternative provisions applied
Tax Compliance	£550	Self-review / management	
Total non-audit services	**£3,400**		

FRC Ethical Standard: Threats to integrity, objectivity and independence
• Self-interest threat • Self-review threat • Management threat • Advocacy threat • Familiarity (or trust) threat • Intimidation threat

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Communication with those charged with governance

International Standard on Auditing (UK) 260 establishes specific reporting obligations on us, as your auditor, to communicate certain matters along with other ISA(UK's) to those charged with governance. Our Audit Planning and Findings Report form part of this communication.



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And Tax Advisers

Appendices



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Adjusted audit differences

In forming our opinion, we note the following adjusted misstatements identified during the course of our audit:

See attached PDF

ISA (UK) 450, “If management have corrected material misstatements, communicating those corrections of which the auditor is aware to those charged with governance may assist them to fulfil their governance responsibilities, including reviewing the effectiveness of the system of internal control.”

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Unadjusted audit differences

In forming our opinion, we note the following unadjusted misstatements (factual, judgemental, projected or arising from a prior period) identified during the course of our audit:

None identified during audit

ISA (UK) 450 “If uncorrected misstatements have been communicated with person(s) with management responsibilities, and those person(s) also have governance responsibilities, they need not be communicated again with those same person(s) in their governance role. The auditor nonetheless has to be satisfied that communication with person(s) with management responsibilities adequately informs all of those with whom the auditor would otherwise communicate in their governance capacity.”

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Technical developments

FRS102 – 2nd triennial review published

Following the consultation period, the Financial Reporting Council (FRC) has now published the 'Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and other FRSs – Periodic Review 2024' ("the Amendments").

The aim of this second periodic review was to produce amendments to FRS 102 to better align the Standard to IFRS, incorporating the IASB's latest proposed changes to the international financial reporting requirements. Indeed, for those who already prepare their financial statements under IFRS, the above changes will already be familiar to them.

The effective date of the amendments is for accounting periods beginning on or after 1 January 2026, with early application permitted provided all amendments are applied at the same time.

What are the key changes?

- A new model of revenue recognition (for FRS 102 and FRS 105).
- A new model of lease accounting (for FRS 102 only).
- Various other incremental improvements and clarifications.

Looking at the detail:

- Revenue recognition - a new FRS 102 Section 23 Revenue, setting out a five-step model aligned to IFRS 15. 1. Identify a contract with a customer, 2. Identify promises within the contract 3. Determine the transaction price 4. Allocate the transaction price to the promises 5. Recognise revenue when or as the entity satisfies the promise.
- Leases - a new FRS 102 Section 20 Leases, which will require almost all leases to be brought on the balance sheet if you're a lessee. Accounting for lessors will remain largely unchanged. These new requirements mean recognising a right-of-use (ROU) asset in respect of the lease contract, and a corresponding lease liability, being the present value of remaining payments under the lease.

Full text: FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland

Comment:
These changes may have significant effects for some businesses, so it is important to start preparing early so that you are ready for the 1 January 2026.

If you're not sure how the changes affect your business, please contact one of our experts who can help you understand the implications and prepare your accounts in plenty of time.

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Technical developments – FRS 102 (update) Revenue

On 27 March 2024, the FRC issued amendments to FRS 102 and other FRSs following the conclusion of its second periodic review of the standards. These amendments effectively align FRS 102 with IFRS for accounting revenue and lease transactions (though some differences remain). The amendments are effective for accounting periods beginning on or after **1 January 2026**, with early application permitted.

Revenue recognition impact	Details
In terms of revenue recognition, businesses most likely to be impacted by these changes will be businesses that have long-term contracts or provide services, such as software companies, professional services and construction companies – rather than ship and bill businesses. Contract terms will direct the accounting conclusion on whether revenue can be recognised over time, or at a point in time. It is anticipated that entities that offer 'bundled contracts', 'warranties', offer variable consideration or have significant financing components will be the most directly affected. This may lead to significant changes to the way revenue was previously recognised. Current FRS 102 guidance focuses more on when risks and rewards are transferred to the customer, rather than when promises under the contract are fulfilled.	The five-step model works as follows: • Step 1: Identify the contract(s) with a customer; • Step 2: Identify the performance obligations in the contract; • Step 3: Determine the transaction price; • Step 4: Allocate the transaction price to the performance obligations in the contract; and • Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation. Management will need to review their contracts in detail to apply the guidance and this may not be as simple as it appears at first glance. On transition, there is the option to either restate the prior year results or adjust the opening reserves as if the standard had always applied. Performing an initial impact assessment is advised to understand the likely areas of impact for your financial statements. These amendments may require changes to systems and processes to be in place for 1 January 2026. This may involve updating charts of accounts, assessing system capabilities, and designing revised processes to ensure compliance.

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Technical developments – FRS 102 (update) Leases

Leases impact	Details
There is no longer a distinction made between operating and finance leases. **Any business with operating leases, as a lessee will see substantial changes to their EBITDA figures and balance sheet presentation because of the amendments.** **So for instance, entities with lease portfolios of retail spaces, vehicle fleets will be significantly impacted.** **On the balance sheet, both gross liabilities and assets will increase as a result of bringing the lease liability and the right of use (RoU) asset on to the balance sheet.** **Operating profit will be impacted (most likely increase), as the rent/ lease expense will now be accounted for as depreciation (above operating expenses) and lease interest (below operating expenses).** There will be exemptions available for short term leases and low value assets. Accounting by lessors has not been significantly changed.	If amounts have previously been calculated in accordance with IFRS 16 for group reporting purposes, the use of these amounts on transition is permitted. Otherwise, the RoU asset recognised is equal to the liability on transition, adjusted by the amount of any prepaid or accrued lease payments on the balance sheet before application of the amendments. Any cumulative effect of initially applying the standard is recorded as an adjustment to opening retained earnings. On transition, restatement of comparatives is not permitted. Entities will need to collect data, make and document significant estimates and judgements, and again have systems in place ahead of 1 January 2026. Simple questions to get started include: • What types of leases do you have? • Do you have copies of all your lease agreements and are they available for review in order to identify and reflect key terms in the financial statement amounts? • Does the finance team have the required knowledge on the new lease accounting requirements or is further training required?

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Technical developments

Companies House Reform

Companies House reform is a significant overhaul, primarily driven by the Economic Crime and Corporate Transparency Act 2023, which shifts Companies House from a passive registry to an active authority. From 18 November 2025, UK companies will face significant new compliance obligations under Companies House reforms aimed at tackling economic crime and improving corporate transparency.

Key aspects of the reform

- Identity verification: All new directors must have their identity verified. Existing directors have a deadline (autumn 2026) to complete this process. Further information can be found here: Navigating Companies House ID Verification Rules
- New registrar powers:
  - The Registrar can query suspicious filings and request further evidence.
  - The Registrar can reject filings that appear to be incorrect.
  - The Registrar can share suspicious information with law enforcement and other regulators.
- Improved data integrity: The goal is to ensure the register is accurate and doesn't create a false or misleading impression, ultimately making it more trustworthy for businesses.
- Protection for individuals: Companies House is introducing measures to help individuals protect their personal information from being easily accessed, which could put them at risk of harm.
- Enforcement: Failure to comply with the new rules can result in financial penalties or other sanctions.
- Increased fees: Companies House has increased fees for incorporation, confirmation statements and voluntary strike off as part of the reforms. Further details are available here: Companies House fee changes

Comment:
Like others in the profession, we support the Government's drive to improve the quality of records held at Companies House but remain cautious regarding the challenges ahead. Action is required now, especially on the identity verification of Directors

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Technical developments

Companies House Reform (continued)

Filing obligations (to apply from 1 April 2028)
The government has confirmed on 9 June 2026 that the accounts reform measures under the Economic Crime and Corporate Transparency Act 2023 will proceed, with implementation from 1 April 2028 (previously planned for April 2027). The key changes are expected to include:

- Changes to financial disclosure and reporting requirements: Small companies and micro-entities will be required to file a profit and loss account with Companies House, although they may opt out of making it publicly available, with further details on the opt out process to be confirmed by Companies House in due course. Access to the profit and loss will however be retained by HMRC, Companies House and law enforcement agencies. The option to file abridged or filleted accounts will be removed, requiring a fuller set of financial information to be filed, including a balance sheet and profit and loss account. The government has announced that the requirement for companies to produce a directors' report will be removed; therefore, small companies will not be required to prepare or file a directors' report under the reformed regime. An auditor's report will be required where applicable.

- Mandatory digital filing and tagging: All accounts will be required to be filed digitally using commercial software, with submissions tagged in iXBRL. The Companies House WebFiling service for accounts and paper submissions will be withdrawn, and companies will be required to file the complete set of applicable accounts components together.

- Enhanced audit exemption statement: Companies claiming audit exemption will be required to provide a strengthened statement confirming the exemption being taken and their eligibility.

- Restriction on changes to accounting periods: New rules will restrict the ability of companies to shorten their accounting reference period, with further detail to be confirmed.

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Technical developments



Artificial intelligence (AI) in the accountancy sector

The ICAEW has published a series of articles on the topic. Their site contains a wealth of resource for those looking to leverage the current opportunities, and gain some insight into 'what next' in accounting.

Generative AI guide | ICAEW

Machine learning and other AI techniques are not new, but they are rapidly evolving and transforming various domains. Business and accounting are among the fields that can benefit from AI, but they have not yet fully embraced its potential. To create a positive vision of the future, we need to understand how AI can address the challenges and opportunities in accounting and business, as well as the skills and competencies that accountants need to collaborate with intelligent systems.

The ICAEW highlight the AI tools that look to improve efficiency, insight and value including:

- Document generation: drafting documents such as proposals and reports, or producing ideas for presentations;
- Client communication: supporting client engagement, communication and correspondence tasks such as drafting letters, emails and tailored reminders;
- Document translation and summarisation: reading long documents such as contracts and providing a summary with key insights, or translating a document to another language;
- Assisting in the automation of repetitive, low-level judgement tasks, such as account categorisation;
- Software development: writing code and scripts to help with tasks, such as account reconciliations, fraud detection and complex data manipulation and analysis;
- Collating of information (for example producing a comparative list of target clients).

Comment:

Artificial intelligence (AI) systems are improving quickly and can be very powerful. They provide outputs that can be extremely accurate thus replacing and, in some cases, far superseding human efforts. IT systems and controls within your organisation are now, more than ever an important pillar of a successful enterprise.

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Technical developments



Going Concern – in an uncertain world

For those responsible for the preparation and/or approval of financial reports, there remains an ongoing challenge in ensuring financial statements contain the correct 'basis' and disclosures with regard to their 'Going Concern' state. With a backdrop of an uncertain macroeconomic environment caused by pandemic, war, supply-side challenges and corporate failures on the high street, the FRC has (re)issued its guidance on the topic:
Guidance on the Going Concern Basis of Accounting

The following key questions must be considered:

- Has management undertaken an adequate going concern assessment?
- Have the financial statements been prepared on the correct basis (going concern, or basis other than)?
- Are the disclosures (material uncertainties) in the financial statements sufficient to ensure that a true and fair view is presented?

The assessment should match the entity's nature and size. For organisations where there is clearly some doubt as to their going concern status, the assessment would be expected to cover some or all of the following issues:

- The implications of a pandemic, war, inflation, or other 'economic shock' on income, supplies and staff.
- The expected future cash flows of the organisation for at least the period that should be covered by the review, i.e. twelve months from the date of the approval of the financial statements. Sensitize the key assumptions.
- The availability of additional sources of finance (and enforceability of) should it be required.
- Consideration of dependency on any key suppliers and staff and the implications if difficulties arise.
- If entity is part of a group, consideration of how going concern issues may be affecting the wider group and the implications for the entity.
- Consideration of any other known contingent liabilities and the potential impact on cash flow.

Management must form a conclusion based upon the issues on whether the entity is a going concern or not, and the implications for the basis of preparing the financial statements.

Comment:
The assessment of going concern is very much an accounting issue and not just an audit one.

If you are not sure on how to assess going concern a your next period end report, please contact one of our experts who can help understand the implications and help you prepare the accounts accordingly.

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Technical developments



Comment:
The Kobe Steel fraud case highlights how supplier product-quality fraud can remain concealed for years, with its lessons continuing to be relevant today, exposing organisations to costly recalls, regulatory action, safety concerns and lasting reputational damage across complex global supply chains.

Supply Chain Fraud – Identifying vulnerabilities and warning signs in operations

The 2017 Kobe Steel case remains one of the most significant examples of supply chain fraud. The misconduct persisted for over ten years, affecting 5% of output and more than 500 companies, resulting in criminal charges, product recalls and substantial reputational damage.

Supply chain fraud is an increasing threat to businesses of all sizes, occurring in various forms across the flow of goods and services to evade tax, inflate costs or generate illicit profit.

Examples of Supply Chain Fraud:
- False / inflated invoicing (including VAT fraud)
- Counterfeit or misdescribed goods and product quality fraud (falsified certifications)
- Manipulated procurement / tendering
- Cost-plus arrangement abuse
- Modern slavery / forced labour exposure

What to look out for:
- New or unstable suppliers (limited history, frequent director changes, insolvencies)
- Complex or opaque supply chains without clear commercial rationale, prices significantly below market norms
- Invoices lacking detail, consistency or clear narrative
- Reluctance or delays in providing information or documentation
- Damaged or repeatedly transported stock
- Unusual tendering patterns or conflicts of interest

Protect your business:
- Know your supplier – verify trading history and directors; challenge unexplained capability
- Proportionate due diligence – scaled to risk, value and location (new, overseas, high-risk suppliers)
- Contractual safeguards – right-to-audit clauses, clear pricing and specifications
- Ongoing oversight – periodic reviews and targeted supply-chain audits

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Technical developments

HM Revenue & Customs

Comment

It is important to ensure that intragroup transfers are compliant with tax legislation. We can provide specialist advice on accounting for intragroup transfers to ensure your business remains complaint.

Transfer Pricing

HMRC has invested significant time in training staff to deal with international issues, including transfer pricing, and continues to recruit staff in this risk area. The additional resources has already resulted in HMRC collecting their highest yield on record and they plan to allocate further resources.

- Transfer pricing refers to the rules that govern the pricing of transactions between entities under common ownership or control.
- Tax legislation states that transactions between connected parties should be taxed as if they were on an arm's length basis.
- HMRC believes that some multinational companies are making errors, misrepresenting, or taking an aggressive approach on accounting for internal transactions to reduce their tax liabilities in the UK.
- Figures published in April 2022 showed a 49% increase in extra tax collected from investigations into large corporates shifting profits overseas (£1.45bn (2019-2020) to £2.16bn (2020-2021)).
- HMRC has stated that it will now consider transfer pricing strategies for criminal investigation where applicable. HMRC will reserve criminal investigations to cases where they believe companies have been dishonest in their use of transfer pricing to deliberately hide profits. This includes actions such as falsifying documents or misleading HMRC with false information. If found guilty, individuals face custodial sentences and the prospect of a lengthy investigation and, if convicted, an unlimited fine along with significant reputational damage.
- During investigations, HMRC have increased their focus on understanding the behaviours which led to any inaccuracy in the returns. The assessment of the behaviours can have implications on both the penalty chargeable and assessing the position for discovery assessments, if HMRC considers there has been "carelessness" or "deliberate" behaviour.
- HMRC have the power to investigate previous years if they discover a loss of tax. If they deem the underpayment of tax as result of a deliberate behaviour, they can go back up to 20 years by raising a discovery assessment.
- If there has been carelessness or deliberate behaviour, HMRC will charge a higher percentage of the underpaid tax as a penalty.

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Technical developments



Research & Development: More Changes

Before April 2024, the way that tax relief was given for research and development expenditure differed depending on whether you were a small/medium sized enterprise or a large company. However, it was confirmed in the Autumn Statement 2023 that, for accounting periods beginning on or after 1 April 2024, a new merged scheme would replace the two existing schemes. That is, unless you are a loss-making R and D intensive SME; in which case you may qualify for a payable credit under the Enhanced R&D Intensive Support scheme.

- **Expenditure credit** - Under the merged scheme, companies will benefit from research and development expenditure credit (RDEC) at the headline rate of 20% on qualifying expenditure. This RDEC is deemed to be trading income and, therefore, will be subject to corporation tax. The post tax rates will vary depending on the level of taxable profit the company has, and the rate of corporation tax applied to those profits.
- **Subcontracted R&D** - Previously, companies that fell within the RDEC scheme were unable to claim for costs incurred for outsourced research and development unless it was contracted to a very limited number of qualifying bodies. Under the merged R and D scheme, all companies will be able to claim for the costs of subcontractors used to carry out their R and D.
- **Removal of subsidised and expenditure rules -** Under the previous SME scheme, a company would face restrictions on its R and D claim if the project received any form of subsidy. From 1 April 2024, these restrictions have been completely removed from the merged scheme.
- **Capped relief for loss making companies -** Under the merged rules, relief will be capped at £20,000 plus 300% of the total liabilities for PAYE and NIC for the company's employees and directors.
- **Externally provided workers** - Costs for externally provided workers will only qualify as part of the claim if they relate to UK workers subject to PAYE.
- **Overseas R and D costs** - From 1 April 2024, in order to encourage business activity in the UK, overseas outsourcing costs will only be allowed in an R and D claim in very limited circumstances.

Further help?
If you are unsure or require further advice please get in touch, or visit our website:
https://hillierhopkins.co.uk/faq/what-is-research-and-development-tax-relief/

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Technical developments



Fraud

Cyber fraud is increasing in volume and scale and unfortunately organisations of all sizes are being targeted. A common fraud occurs when a fraudster contacts a member of staff with responsibility for authorising financial transfers and requests a one off, typically urgent, bank transfer. Contact is by email and from a similar email address to the one a director or member of management would use. These small differences are often hard to spot and, if the request is actioned, can result in substantial financial losses for the organisation.

There are things that can be done to protect against cyber fraud:

- Any urgent payment requests from the director should be confirmed verbally. Often a fraudster will target when they know the director/trustee is unavailable, such as on holiday, and where this is the case payment should not be made.
- Emails (and letters) from a supplier requesting a change of bank details should be confirmed verbally with your usual contact using your usual telephone number. Do not use the telephone number on the change of details request.
- Do not open attachments or click on links from unknown sources. For a link, hover your mouse pointer over the link to reveal its true destination. Beware if this is different from the email text.
- Ensure your anti-virus software is up to date. Malware can be used to remotely access accounts packages and edit existing beneficiaries. The payment file created by the accounts package will then use the fraudster's amended accounts details, rather than the genuine supplier or staff details.
- Ransomware is becoming more common. One way to protect yourself from such an attack is to take regular backups stored remotely from your computer or network.

Comment

We recommend that clients carry out a fraud risk assessment to determine their level of fraud exposure. Training should be given to all staff to ensure that they are aware of the risks, which will minimise the opportunity for frauds to be successful. More advice and information can be found at the National Cyber Security Centre's website: https://www.cyberessentials.ncsc.gov.uk/

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Tax rates and allowances 2026/2027

Disclaimer: Rates are for guidance only. No responsibility for loss occasioned by any person acting/refraining from action as a result of this information can be accepted by the authors or Firm.

Income Tax

Rates and bands (other than savings and dividend income)

2026/27		2025/26	
Band £	**Rate %**	**Band £**	**Rate %**
0 - 37,700	20	0 - 37,700	20
37,701 - 125,140	40	37,701 - 125,140	40
Over 125,140	45	Over 125,140	45

Income tax rates in Scotland and Wales on income other than savings and dividend income have been devolved.

Savings income	**2026/27 and 2025/26**
Savings allowance basic rate	£1,000
Savings allowance higher rate	£500

A starting rate of 0% may be available unless taxable non-savings income exceeds £5,000.

Dividend income	**2026/27**	**2025/26**
Dividend allowance	£500	£500
Dividend ordinary rate	10.75%	8.75%
Dividend upper rate	35.75%	33.75%
Dividend additional rate	39.35%	39.35%

Income Tax Allowances

	2026/27	**2025/26**
Personal allowance	£12,570	£12,570
Personal allowance income limit	£100,000	£100,000
Marriage allowance	£1,260	£1,260
Married couple's allowance	£11,700	£11,270
- minimum amount	£4,530	£4,360
- income limit	£39,200	£37,700
Blind person's allowance	£3,250	£3,130

Individual Savings Accounts

	2026/27	**2025/26**
Overall investment limit	£20,000	£20,000
Junior account investment limit	£9,000	£9,000

Devolved Income Tax

Scotland rates and bands

2026/27		2025/26	
Band £	**Rate %**	**Band £**	**Rate %**
0 - 3,967	19	0 - 2,827	19
3,968 - 16,956	20	2,828 - 14,921	20
16,957 - 31,092	21	14,922 - 31,092	21
31,093 - 62,430	42	31,093 - 62,430	42
62,431 - 125,140	45	62,431 - 125,140	45
Over 125,140	48	Over 125,140	48

Wales rates and bands

2026/27		2025/26	
Band £	**Rate %**	**Band £**	**Rate %**
0 - 37,700	20	0 - 37,700	20
37,701 - 125,140	40	37,701 - 125,140	40
Over 125,140	45	Over 125,140	45

Capital Gains Tax

Individuals	**2026/27**	**2025/26**
Exemption	£3,000	£3,000
Standard rate	18%	18%
Higher/additional rate	24%	24%
Trusts		
Exemption	£1,500	£1,500
Rate	24%	20/24*%

Business Asset Disposal Relief
The first £1m of qualifying gains are charged at 14% for 2025/26 and 18% for 2026/27.

Inheritance Tax

Death rate	**Lifetime rate**	**Chargeable transfers 2026/27 and 2025/26**
Nil	Nil	0 - £325,000 (nil rate band)
40%	20%	Over £325,000

A further nil rate band of £175,000 may be available in relation to current or former residences.

Car, Van and Fuel Benefits

2026/27		
CO2 emissions g/km		**% of list price taxed**
0		4
1 - 50		
Electric range	130 or more	4
	70 - 129	7
	40 - 69	10
	30 - 39	14
	under 30	16
51 - 54		17
For every extra 5 (other than 75-79)		+1
155 and above		37

For fully diesel cars generally add a 4% supplement (unless the car is registered on or after 1 September 2017 and meets the Euro 6d emissions standard) but the maximum is still 37%. For emissions of 75g/km or more if the CO2 figure does not end in a 5 or 0 round down to the nearest 5 or 0.

	2026/27
Car fuel benefit	£29,200
Van benefit	£4,170
Van fuel benefit	£798

Tax Reliefs for Individuals

2026/27

Enterprise Investment Scheme (EIS)
Relief on investments in certain unquoted trading companies up to £1m per annum (£2m for knowledge intensive companies):
• Income tax relief at 30% • Capital gains exemption on disposal
Unlimited amounts of capital gains from the disposal of other assets may be able to be deferred by making an EIS investment.

Seed Enterprise Investment Scheme (SEIS)
Relief on investments in certain unquoted trading companies up to £200,000 per annum:
• Income tax relief at 50% • Capital gains exemption on disposal
Capital gains from the disposal of other assets may be exempt up to £100,000 per annum by making an SEIS investment.

Venture Capital Trusts (VCTs)
Relief on investments in certain quoted companies up to £200,000 per annum:
• Income tax relief at 20% • Capital gains exemption on disposal
Dividends received from VCTs may be exempt from income tax.

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Tax rates and allowances 2026/2027

Disclaimer: Rates are for guidance only. No responsibility for loss occasioned by any person acting/refraining from action as a result of this information can be accepted by the authors or Firm.

Selected Rates

	2026/27	2025/26
Weekly benefit	£	£
New State Pension	241.30	230.25
Old State Pension	184.90	176.45
Statutory pay standard rates		
Sick Pay	123.25	118.75
Maternity/Adoption Pay	194.32	187.18
Shared Parental Pay	194.32	187.18
Paternity Pay	194.32	187.18

National Living Wage and National Minimum Wage

Age	NLW	18-20	16-17	Apprentices
From 1 April 2026	£12.71	£10.85	£8	£8

Applies to apprentices under 19 or 19 and over in the first year of apprenticeship.
NLW applies to those aged 21 and over.

National Insurance

2026/27 Class 1 (employed) rates

Employee		Employer	
Earnings per week	**%**	**Earnings per week**	**%**
Up to £242	Nil	Up to £96	Nil
£242.01 - £967	8	Over £96	15
Over £967	2		

Entitlement to contribution-based benefits for employees retained for earnings between £129 and £242 per week. The employer rate is 0% for certain military veterans, employees under 21 and apprentices under 25 on earnings up to £967 per week.

Class 1A (employers)	15% on employee taxable benefits
Class 1B (employers)	15% on PAYE Settlement Agreements
Class 2 (self-employed)	nil (£3.65 per week where those with profits below £7,105 wish to make a voluntary contribution)
Class 3 (voluntary)	flat rate per week £18.40
Class 4 (self-employed)	6% on profits between £12,570 and £50,270 plus 2% on profits over £50,270

Corporation Tax

Years to 31.3.26 and 31.3.27	Profits band	Rate %
Small profits rate	£0 - 50,000	19
Marginal rate	50,001 - 250,000	26.5
Main rate	Over 250,000	25
Marginal relief fraction	3/200	

Profits limits are reduced for a company with associated companies. Different rates apply for ring-fenced (broadly oil industry) profit.

Capital Allowances

First Year Allowance (FYA) on certain plant, machinery and cars of 0g/km (for cars purchased before 1 April 2027 (6 April 2027 for income tax))	100%
Corporation tax FYA ('full expensing') on certain new, unused plant and machinery	100%
Corporation tax FYA on new, unused long-life assets, integral features of buildings, etc.	50%
FYA for all businesses on certain new, unused plant and machinery for expenditure incurred from 1 January 2026	40%
Annual Investment Allowance £1,000,000 excluding cars	
Writing Down Allowance	
Long-life assets, integral features of buildings, cars over 50g/km	6%
Other plant and machinery	18%/14%*
Structures and Buildings Allowance	3%

*The 14% rate applies from 1 April 2026 (6 April 2026 for income tax), subject to transitional rules for chargeable periods which straddle those dates

Pensions

	2026/27	2025/26
Lump sum allowance	£268,275	£268,275
Lump sum and death benefit allowance	£1,073,100	£1,073,100
Annual allowance	£60,000	£60,000
Money purchase annual allowance	£10,000	£10,000

Value Added Tax

	From 1.4.26	From 1.4.25
Standard rate	20%	20%
Reduced rate	5%	5%
Annual Registration Limit	£90,000	£90,000
Annual Deregistration Limit	£88,000	£88,000

Property Taxes

Across the whole of the UK, residential rates may be increased by 5% (8% in Scotland and up to 8.5% in Wales) where further residential properties are acquired.

Stamp Duty Land Tax

Land and buildings in England and N. Ireland

Residential Band £	Rate %	Non-residential Band £	Rate %
0 - 125,000	0	0 - 150,000	0
125,001 - 250,000	2	150,001 - 250,000	2
250,001 - 925,000	5	Over 250,000	5
925,001 - 1,500,000	10		
Over 1,500,000	12		

First-Time Buyer relief may apply to residential purchases up to £500,000.

Land and Buildings Transaction Tax

Land and buildings in Scotland

Residential Band £	Rate %	Non-residential Band £	Rate %
0 - 145,000	0	0 - 150,000	0
145,001 - 250,000	2	150,001 - 250,000	1
250,001 - 325,000	5	Over 250,000	5
325,001 - 750,000	10		
Over 750,000	12		

First-Time Buyer relief may apply on the first £175,000 of residential purchases.

Land Transaction Tax

Land and buildings in Wales

Residential Band £	Rate %	Non-residential Band £	Rate %
0 - 225,000	0	0 - 225,000	0
225,001 - 400,000	6	225,001 - 250,000	1
400,001 - 750,000	7.5	250,001 - 1,000,000	5
750,001 - 1,500,000	10	Over 1,000,000	6
Over 1,500,000	12		

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Hillier Hopkins at a glance



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Our core values and accreditation



Our Core Values

Our firm's philosophy of "*friendly expertise*" is built on a commitment to our Core Values. You will find our team knowledgeable, friendly and cooperative. Our Core Values were developed collaboratively by our staff and principals. They underpin our training and review process and our appraisal and personal development programme. Our Core Values are: Do the right thing, Expertise, Ownership, Positive collaboration and Making time.

ICAEW CHARTERED ACCOUNTANTS

Quality assurance

Hillier Hopkins LLP undergoes a number of quality assurance measures including the following:

- Chartered Accountants: We are fully subscribed to the training and technical requirements as set down by the Institute of Chartered Accountants in England and Wales (ICAEW) and subject to their periodic QAD quality checks.
- Cold-file reviews: Performed by leading external ICAEW accredited bodies and internal peer-reviews.

INVESTORS IN PEOPLE We invest in people Gold

Investors in People

Hillier Hopkins invests heavily in staff training and has held the "Investor in People" (IIP) accreditation since 1996. We were one of the first accountancy firms in Hertfordshire to be awarded the IIP accreditation and now hold a Gold Accreditation.

THE SUNDAY TIMES Best Places to Work 2026 MEDIUM ORGANISATION

The Sunday Times Best places to Work

We are proud to be featured in the prestigious 'Sunday Times Best Places to Work' list again for 2026, which recognises and highlights our firm's commitment to fostering a positive and supportive work environment for all of our employees.

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Sustainability

At Hillier Hopkins we take pride in doing the right thing. Whether it's the friendly expertise we provide to our clients or the choice of a renewable energy provider to power our office, we want to make a positive difference. That's why as a firm we are committed to minimising our environmental footprint wherever possible across all three of our office locations. Our environmental goals are designed to help us minimise waste, procure more sustainably and build a strong environmental culture that drives us to continue to improve.

Our goals and achievements

- **B Corp™**: We are proud to be a certified B Corp. We are part of a global community of businesses meeting high standards of social and environmental performance, transparency, and accountability. To find out more visit https://www.bcorporation.net/en-us/find-a-b-corp/company/hillier-hopkins/
- **Local Volunteering initiatives**: We take part in tree planting days and regularly organise litter picks around our office areas to clean and green up our neighbourhoods. Our volunteering policy also allows all of our staff one day per year to participate in volunteering opportunities of their choice.
- **Recycling**: We reduce our waste and recycling through collecting food waste, recyclables and soft plastics, printing less and shredding our paper sustainably.
- **Reducing our carbon emissions**: We have reduced our carbon emissions by switching to 100% renewable energy at our offices where possible and using lower energy appliances.
- **Sustainable procurement**: We try to ensure that we procure our office supplies, stationery and branded goods as sustainably as possible through social enterprise suppliers.



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Other Services

Our experts - here to help you
Hillier Hopkins has a variety of experts within the firm who are available to work with you (*).

They are on hand to provide both long term, proactive advice and practical solutions to any business challenges and opportunities that arise.

For further information, please speak to your regular contact, or visit our website:

https://hillierhopkins.co.uk/services



* Non-audit services are subject to certain Ethical Standard safeguards, or in some cases are prohibited.

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Docusign Envelope ID: 0AE34CE4-CF1F-8095-81EF-E5F9B67363A5

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Financial Statements

Year Ended 31 March 2026

Regulator for Social Housing registration number: H1167

Company registration number: 955757 (England & Wales)

Charity registration number: 262424

Docusign Envelope ID: 0AE34CE4-CF1F-8095-81EF-E5F9B67363A5

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Financial Statements

Year Ended 31 March 2026

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Docusign Envelope ID: 0AE34CE4-CF1F-8095-81EF-E5F9B67363A5

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Registered Social Housing Provider Information

Year Ended 31 March 2026

Members of the Board	Mr P P Ashbrook (Chairman) Mr D Reading (appointed 23/06/2025) Ms K J Sheldon (deceased 25/09/2026) Ms M Brady (resigned 14/11/2025) Ms C J Hopcraft (resigned 29/09/2025) Ms R Stonestreet (resigned 06/09/2025) Mr I C Smith Mr G Wrzosek (resigned 04/08/2026) Mr J D Eversham (resigned 09/05/2025) Mr G B Adeleke (resigned 03/09/2025) Ms L Hoteit (resigned 12/11/2025)
Registered office	Annett House Common Gardens Potten End Berkhamsted Hertfordshire HP4 2RH
Auditor	Hillier Hopkins LLP Radius House 51 Clarendon Road Watford Hertfordshire WD17 1HP
Solicitors	Austins Penny & Thorne 175 High Street Berkhamsted Hertfordshire HP4 3HG
Bankers	Barclays Bank PLC Lloyds Bank PLC
Regulator for Social Housing registration number	H1167
Company registration number	00955757 (England & Wales)
Charity registration number	262424

Docusign Envelope ID: 0AE34CE4-CF1F-8095-81EF-E5F9B67363A5

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Board Report

The board of The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited present their report and the audited financial statements of the Society for the year ended 31 March 2026.

Members of the board

The members of the board who have served during the year are as follows:

Mr P P Ashbrook (Chairman)
Mr D Reading (appointed 23/06/2025)
Ms K J Sheldon (deceased 25/09/2026)
Ms M Brady (resigned 14/11/2025)
Ms C J Hopcraft (resigned 29/09/2025)
Ms R Stonestreet (resigned 06/09/2025)
Mr I C Smith
Mr G Wrzosek (resigned 04/08/2026)
Mr J D Eversham (resigned 09/05/2025)
Mr G B Adeleke (resigned 03/09/2025)
Ms L Hoteit (resigned 12/11/2025)

Review of activities

The principal activity of the Society is to provide supported sheltered housing accommodation for lonely and elderly people in accordance with the aims and principles of the national Abbeyfield Society. Each year the Directors review the Society's objectives and activities to ensure that they continue to reflect its aims; in carrying out this review the Directors, who are also charitable trustees, have considered the Charity Commission's guidance on public benefit. The Society aims to offer equal and fair access to all eligible older people and the Society aims to be affordable to all. Financial assessments do not play a part in the selection process, but the Society will discuss with applicants the charges and how they plan to meet them; where appropriate the Society will facilitate access to advice about claiming benefits and provide any information in support of a resident's claim.

A review of the current level of staff coverage within the houses took place and a more robust staff structure was established, and recruitment of staff began. The Society has focused on increasing the level of cover within the Society, to ensure that the residents and sponsors have increased visibility of management and have an improved service provided by skilled staff.

Results for the year and reserves policy

The Society reports a surplus of £58,339 for the year under review (2025: £53,429). We have experienced times of reduced income within the houses due to short term voids (6% in 2026, 4% in 2025) which have occurred due to residents moving on. The society has continued to focus on completing the outstanding repairs and maintenance that was placed on hold due to the previous COVID -19 restrictions as a result there has been an increase compared to the previous year.

The Society's reserves stand at £1,633,987 of which £516,104 is held in cash. In the first instance, this would be required to cover at least six months' cash operating costs in the event of an emergency and is therefore considered adequate. It is the policy of the Directors to utilise any further surpluses which arise to maintain and improve the physical condition of the Society's houses.

Future developments

The Society wishes to ensure a safe and happy environment in its houses, but the Directors will not take any action which could threaten the safety of the residents and will continue to follow the guidance and advice issued by the government and by health and regulatory bodies as far as imposing and lifting restrictions on access to the houses is concerned. The Directors are confident that reserves are adequate to protect the Society's financial position in the present circumstances.

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The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Board Report

The Society will aim to continue to invest in refurbishing and modernising the accommodation of the three supported sheltered houses which it owns, and the Directors will continue to use all generated operating surpluses to improve the quality of the houses as well as maintain an appropriate level of cash reserves to fund the operations of the Society.

The Board, which is wholly comprised of volunteers, will continue to seek new members who can contribute to the work of the Society and take it forward in planning for the future. The roles of paid staff are being developed to the extent permitted by available funding to ensure that the houses are run professionally and are not adversely affected by the absence of volunteers.

Governance

The Society is bound by the Governance and Financial Viability Standard issued by the Regulator of Social Housing and by the Charity Commission's Code of Governance. The Directors are of the view that compliance with these codes is best achieved by continuous adherence to the Core Standard set by the national Abbeyfield Society with which the Society has in the past achieved full compliance. The Core Standard will shortly be replaced by the Quality Standard with which the Society will comply.

The Directors keep under regular review the risks to which the Society may be exposed, and the means of mitigating such risks, and they acknowledge their ultimate responsibility for ensuring that the Society has in place a system of controls that is appropriate to the business environment in which the Society operates.

The Directors find that after making enquiries they have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

Directors' responsibilities

The Board is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulation.

Company law and social housing legislation requires the Board to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law the Board 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 Board members are required to:

- select suitable accounting policies and apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice "Accounting by Registered Social Housing Providers 2018" and FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Society will continue in business.

Board members 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, the Housing and Regeneration Act 2008 and the Accounting Direction for Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the Society and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Board Report

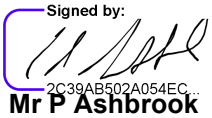
Board members are responsible for ensuring that the Report of the Board is prepared in accordance with the Statement of Recommended Practice "Accounting by Registered Social Housing Providers 2018" and FRS 102. The Board is responsible for ensuring that the assets of the Society are properly applied under charity law.

Disclosure of information to the auditors

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the Board

Signed by:

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Mr P Ashbrook

Chairman

Date 29-09-2026

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The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Independent Auditor's Report to the Members of The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Opinion

We have audited the financial statements of The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited (the 'association') for the year ended 31 March 2026 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Reserves, Statement of Cash Flows and the 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 association's affairs as at 31 March 2026, and of its income and expenditure 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, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022.

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 association 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 board'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 association'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 board with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The board are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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Independent Auditor's Report to the Members of The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited (continued)

Matters on which we are required to report by exception
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:

- the association has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation; or
- the revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the association's books of account; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the board
As explained more fully in the board's responsibilities statement set out on page 4, the board 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 it 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 board are responsible for assessing the association'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 board either intends to liquidate the association or to cease operations, or has 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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;

- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management, about their own identification and assessment of the risks of irregularities;

- any matters we identified having obtained and reviewed the association's documentation of their policies and procedures relating to:
    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
    - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;

- the matters discussed among the audit engagement team, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

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Auditor's responsibilities for the audit of the financial statements (continued)

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the association operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to the Companies Act 2006 the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk 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/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx

This description forms part of our auditor's report.

Use of our report
This report is made solely to the association's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the association'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 association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Louise Cherry
67DAA1BAA6B2430...
Louise Cherry ACA (Senior Statutory Auditor)

For and on behalf of
Hillier Hopkins LLP

Chartered Accountants
Statutory Auditor

Radius House
51 Clarendon Road
Watford
Hertfordshire
WD17 1HP

Date 29-09-2026

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The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Statement of Comprehensive Income (Including Income and Expenditure Account)

Year Ended 31 March 2026

	Note	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Turnover	2	733,337	730,471
Operating costs	2,3	(701,618)	(682,781)
Operating surplus		**31,719**	**47,690**
Interest receivable and similar income	5	26,620	5,739
Surplus for the year before and after tax		**58,339**	**53,429**
Total comprehensive income for the year		**58,339**	**53,429**

All of the above amounts relate to continuing operations.

There were no recognised gains or losses other than the surplus for the year stated above.

The notes on pages 12 to 20 form part of these financial statements

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The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Statement of Financial Position

Year Ended 31 March 2026

	Note	2026 £	2025 £
Fixed assets			
Tangible fixed assets	12,13	1,283,148	1,126,354
		1,283,148	**1,126,354**
Current assets			
Debtors	15	5,608	6,878
Cash at bank and in hand		516,104	599,709
		521,712	**606,587**
Creditors: amounts falling due within one year	16	(38,780)	(20,510)
Net current assets		**482,932**	**586,077**
Total assets less current liabilities		**1,766,080**	**1,712,431**
Creditors: amounts falling due after more than one year	17	(132,093)	(136,783)
Total net assets		**1,633,987**	**1,575,648**
Reserves			
Income and expenditure reserve	19	**1,633,987**	**1,575,648**

The financial statements were approved and authorised for issue by the Board.

Signed on behalf of the Board:

Signed by:
2C39AB502A054EC...
Mr P Ashbrook
Director
Date: 29-09-2026

Signed by:
77776169337941F...
Mr D Reading
Director
Date: 29-09-2026

The notes on pages 12 to 20 form part of these accounts.

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The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Statement of Changes in Reserves

Year Ended 31 March 2026

Income and Expenditure Reserve

	£
At 1 April 2025	1,575,648
Surplus for the year	58,339
At 31 March 2026	**1,633,987**

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The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Statement of Cash Flows

Year Ended 31 March 2026

	Note	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Cash flow from operating activities			
Operating surplus for the year	2	31,719	47,690
Adjustments for:			
Depreciation of fixed assets: housing properties	12	53,676	44,490
Depreciation of fixed assets: fixtures, fittings and equipment	13	39,092	39,759
Amortisation of capital grant	18	(4,690)	(4,447)
Decrease/(Increase) in debtors		1,270	(1,278)
Increase/(Decrease) in creditors		18,270	(3,759)
Net cash inflow from operating activities		**139,337**	**122,455**
Cash flow from investing activities			
Interest received		26,620	5,739
Purchase of fixed assets	12/13	(249,562)	(167,780)
Net cash inflow/(outflow) from investing activities		**(222,942)**	**(162,041)**
Net increase/(decrease) in cash and cash equivalents		**(83,605)**	**(39,586)**
Opening Cash and cash equivalents at 1 April		**599,709**	**639,295**
Closing Cash and cash equivalents at 31 March		**516,104**	**599,709**
Cash and cash equivalents consists of:			
Cash at bank and in hand		516,104	599,709
Closing Cash and cash equivalents at 31 March		**516,104**	**599,709**

Analysis of Net Debt

	At 1 April 2025 £	Cash flows £	At 31 March 2026 £
Cash at bank and in hand	599,709	(83,605)	516,104

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1 Summary of significant accounting policies

(a) General information and basis of preparation

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited is a company limited by guarantee not having a share capital, a registered charity and a private registered provider of social housing in the United Kingdom. The address of the registered office is given in the information on page 1 of these financial statements. The nature of the Society's operations and principal activities are the provision of supported sheltered accommodation for the elderly.

The Society constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS 102), the Statement of Recommended Practice (SORP) for Social Housing Providers 2018, and with the Accounting Direction for private registered providers of social housing in England 2022. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the Society.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Going concern

As at the year end, the company had net current assets of £482,932 and generated a surplus of £58,339 before other comprehensive gains/losses. The members of the board have taken steps to manage the cash flow during the year in review and continue to monitor budgets for the next 12 months accordingly. Having due regard to these matters and after making appropriate enquiries, the board members have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore, the board members continue to adopt the going concern basis in preparing these Financial Statements.

(c) Tangible fixed assets

Tangible fixed assets (including social housing properties) are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, development costs, interest charges on loans during the development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or results in a significant extension of the useful economic life of the property.

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(c) Tangible fixed assets (continued)

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Housing properties	Over 50 years
Improvements and refurbishments to housing properties	Over 20 years
Fixtures, fittings and equipment	Over 10-15 years

Housing properties under construction are not depreciated until they are in use.

Major components of housing properties, such as lifts, heating and warden alarm systems, have been accounted for and depreciated separately from the connected housing property, over their expected useful economic lives and are included in fixtures, fittings and equipment.

The useful economic lives of all tangible fixed assets are reviewed annually.

(d) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in other administrative expenses.

(e) Impairment

The Society's housing properties are assessed for indicators of impairment at each balance sheet date. If such indication exists, the recoverable amount is estimated and compared to the carrying amount. Where the carrying amount exceeds the recoverable amount, an impairment loss is recognised in expenditure through the statement of comprehensive income.

(f) Tax

The Society has charitable status and is not in general subject to Corporation Tax.

The Society is not registered for VAT.

(g) Turnover and other income

Turnover is measured at the fair value of the consideration received or receivable net of trade discounts. It represents rental and service charges income receivable in the year, net of rent and service charge losses from voids.

Interest receivable

Interest income is recognised using the effective interest method.

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(g) Turnover and other income (continued)

Revenue grants

Revenue grants receivable that are not subject to performance-related conditions are included within income from legacies and donations.

(h) Employee benefits

Pension costs

The Society operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed as they become payable.

Holiday pay accrual

A liability is recognised for the salary cost of any unused holiday pay entitlement which has accrued at the balance sheet date and has been carried forward to future periods.

(i) Restricted and endowment reserves

Restricted and endowment reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Restricted reserves include funds raised in response to a specific appeal. Revenue and expenditure cannot be directly set against restricted and endowment reserves but is taken through the statement of comprehensive income and then a transfer to restricted and endowment reserves is made as appropriate.

(j) Judgements and key sources of estimation uncertainty

In preparing these financial statements the key judgement that has been made is in respect of whether there are indicators of impairment of the Society's housing properties.

The key source of estimation uncertainty lies in the assessment of the useful lives of the Society's housing properties and other tangible fixed assets, which determines the charge for depreciation made in the Comprehensive Income and Expenditure Statement.

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2 Turnover, operating costs and operating surplus

Year ended 31 March 2026

	Turnover	Operating Costs	Operating surplus
	£	£	£
Social housing lettings (note 3)	729,531	(701,618)	27,913
Legacies and donations	3,806	-	3,806
Total	**733,337**	**(701,618)**	**31,719**

Year ended 31 March 2025

	Turnover	Operating Costs	Operating surplus
	£	£	£
Social housing lettings (note 3)	728,363	(682,781)	45,582
Legacies and donations	2,108	-	2,108
Total	**730,471**	**(682,781)**	**47,690**

3 Particulars of turnover and operating costs from social housing

	Year ended 31 March 2026	Year ended 31 March 2025
	£	£
Turnover		
Rent receivable net of void losses	724,841	723,916
Capital grants released to income	4,690	4,447
Turnover from social housing lettings	**729,531**	**728,363**
Operating costs		
Management and administration	150,284	143,452
Service costs	410,574	412,586
Routine repairs and maintenance	47,722	42,494
Major repairs expenditure	270	-
Depreciation of housing properties	53,676	44,490
Other costs	39,092	39,759
Operating costs on social housing lettings	**701,618**	**682,781**
Operating surplus on social housing lettings	**27,913**	**45,582**
Void losses	**42,208**	**26,098**

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4 Accommodation owned and in management

	Number of units at 31 March 2026	Number of units at 31 March 2025
Completed units:		
Supported housing for the elderly	35	35

5 Interest and other finance income and charges

	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Bank interest receivable	26,620	5,739

6 Surplus on ordinary activities

Surplus on ordinary activities is stated after charging:

	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Auditors' remuneration	14,300	12,540
Depreciation of housing properties	53,676	44,490
Depreciation of other tangible fixed assets	39,092	39,759

7 Staff costs

The average monthly number of employees, calculated on a full-time equivalent basis, during the year was 16.29 (2025: 11.8). The aggregate remuneration of such employees was as follows:

	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Wages and salaries	314,735	312,438
Social security	20,943	17,379
Pension fund contributions	6,622	6,137
	342,300	**335,954**

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7 Staff costs (continued)

No employees received more than £60,000 as their employee package.

8 Related party disclosures

During the year, one trustee, who is also a director, received reimbursement of £452 in respect of goods, services and consumables purchased on behalf of the company (2025: three trustees received reimbursement of £992).

9 Pensions and other post-retirement benefits

The Society operates a defined contribution pension plan for its employees. The amount recognised as an expense in the year is disclosed at note 7 above.

10 Tax

The Society has charitable status and is not in general subject to Corporation Tax.

11 Value for Money metrics

The Regulator of Social Housing requires registered providers to articulate and deliver a comprehensive and strategic approach to achieving value for money in meeting their organisation's objectives. As part of that process, providers are required to publish evidence which enables stakeholders to understand their performance. This evidence includes certain metrics set out below. Other metrics required by the Regulator are not applicable to the Society which has not developed housing for some time and is debt free.

	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Reinvestment in housing stock by reference to cost of stock	8.8%	7.1%
Social housing cost per unit	17,238	16,320
Operating margin by reference to turnover		
- Social housing only	3.8%	6.3%
- All activities	4.3%	6.5%

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12 Tangible fixed assets: housing properties

	£
Cost:	
At 1 April 2025	**2,038,773**
Additions	197,667
At 31 March 2026	**2,236,440**
Depreciation:	
At 1 April 2025	**1,055,417**
Charge for the year	53,676
At 31 March 2026	**1,109,093**
Net book value:	
At 31 March 2026	**1,127,347**
At 1 April 2025	983,356

All housing properties are held freehold.

13 Tangible fixed assets: fixtures, fittings and equipment

	£
Cost:	
At 1 April 2025	369,094
Additions	51,895
At 31 March 2026	**420,989**
Depreciation:	
At 1 April 2025	226,096
Charge for the year	39,092
At 31 March 2026	**265,188**
Net book value:	
At 31 March 2026	**155,801**
At 1 April 2025	142,998

14 Capital commitments

The company as at year end has committed to spending £8,780 on capital expenditure relating to refurbishment works for Annett and St Mary's House.

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15 Debtors

	2026 £	2025 £
Prepayments and accrued income	5,279	6,878
Other debtors	329	-
	5,608	**6,878**

16 Creditors: amounts falling due within one year

	2026 £	2025 £
Trade creditors	11,211	9,765
Tax and social security	6,368	4,952
Deferred capital grants (note 18)	4,416	4,416
Other creditors	2,399	1,377
Accruals	14,386	-
	38,780	**20,510**

17 Creditors: amounts falling due after more than one year

	2026 £	2025 £
Deferred capital grants (note 18)	132,093	136,783
	132,093	**136,783**

18 Deferred capital grants

	2026 £	2025 £
At 1 April 2025	141,199	145,646
Released to income during the year	(4,690)	(4,447)
At 31 March 2026	**136,509**	**141,199**

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18 Deferred capital grants (continued)

	2026 £	2025 £
Included in amounts falling due within one year	4,416	4,416
Included in amounts falling due after more than one year	132,093	136,783
At 31 March 2026	**136,509**	**141,199**

Deferred capital grants represent the unamortised portions of historic capital grants (Social Housing Grants) given for the acquisition of land and development of buildings completed in prior years. In accordance with FRS 102 these are disclosed within creditors.

19 Reserves

Income and expenditure reserve

The income and expenditure reserve represents cumulative surplus and deficits net of other adjustments.

	2026 £	2025 £
At 1 April 2025	1,575,648	1,522,219
Surplus for the year	58,339	53,429
At 31 March 2026	**1,633,987**	**1,575,648**

20 Company limited by guarantee

The Society is a company limited by guarantee, not having a share capital.

There are five members (2025: eight), each of whom has agreed to contribute to the assets of the company such a sum as may be required on winding up but not exceeding £1 per member.

21 Post balance sheet event

Subsequent to the year end, the Society has continued discussions regarding a proposed merger with Abbeyfield Kings Langley Society Limited ("AKLS"), with a target completion date of 30 September 2026. Prior to the year end, both organisations had agreed in principle to pursue a merger and had commenced the necessary due diligence and consultation processes. Following the year end, solicitors were appointed by both parties, and formal merger documentation was prepared and reviewed. The proposed merger represents a non-adjusting event after the reporting period. No adjustment has therefore been made to these financial statements. The financial effect of the proposed merger cannot be reliably estimated at the date these financial statements were approved.

Docusign Envelope ID: 0AE34CE4-CF1F-8095-81EF-E5F9B67363A5

The Abbeyfield (Berkhamsted and Hemel Hempstead) Society Limited

Detailed Income and Expenditure Account

Year Ended 31 March 2026

		Year ended 31 March 2026 £		Year ended 31 March 2025 £
INCOME				
Residential Charges Receivable		767,049		750,014
Losses arising from Vacancies & Absences		(42,208)		(26,098)
Capital grants released to income		4,690		4,447
Turnover from Social Housing Lettings		**729,531**		**728,363**
Donations and Fund Raising		3,806		2,108
Bank Deposit Interest		26,620		5,739
TOTAL INCOME		**759,957**		**736,210**
EXPENDITURE				
Management & Administration				
Insurance	7,592		5,195	
Membership - The Abbeyfield Society and other regulators	12,521		12,293	
Subscriptions and marketing	1,851		792	
Auditors Remuneration	14,300		12,540	
Legal and Professional Fees	3,896		4,591	
Bank Charges	502		638	
Administration salary costs	99,765		93,078	
Administrative Expenses	9,857		14,325	
		150,284		143,452
Service Costs				
Employee Costs	242,535		242,876	
Staff Training and Advertising	8,749		12,152	
Travel and Subsistence	1,342		1,908	
Food	55,141		53,218	
Heating and Lighting	51,398		49,675	
Garden and Other Household costs	10,378		14,459	
Water rates	6,421		4,552	
Council Tax	8,615		8,216	
Alarm System	5,604		5,958	
Printing, Stationery and Postage	910		1,239	
Telephone	8,123		7,045	
Gifts and Donations	279		(1,055)	
Computer expenses	-		692	
Social Activities	3,632		3,354	
Miscellaneous	2,947		803	
Window cleaning	2,252		2,185	
Equipment replacement	2,248		5,309	
		410,574		412,586
Routine Repairs & Maintenance		47,722		42,494
Major Repairs Expenditure		270		-
Depreciation of housing properties		53,676		44,490
Other depreciation		39,092		39,759
TOTAL EXPENDITURE		**701,618**		**682,781**
TOTAL SURPLUS FOR THE YEAR		**58,339**		**53,429**

This page does not form part of the audited financial statements