

## **DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

The Directors, who are also the trustees under the provisions of the Companies Act 2006, present their report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 and comply with the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2019).

### **Objectives and Activities**

The company's principal activity continues to be the provision of supported sheltered accommodation for older people and the Society is guided in this undertaking by the shared beliefs of the Abbeyfield movement, that:

- Older people have an important role to play amongst their families, friends and in their community;
- Overcoming loneliness and insecurity can make all the difference to an older person's wellbeing and quality of life; and
- Local people have an essential part to play in helping older people in their community.

The Abbeyfield way of life seeks to provide a balance of privacy and support which can be ideal for many older people who no longer feel happy living alone. In Abbeyfield, older people can remain independent and active, knowing that they have the support of house staff and a network of local volunteers.

### **Public Benefit**

The Directors are committed to furthering the Society's objectives by providing high quality support to the residents who occupy the Society's houses. In doing so, the Directors have due regard to the published guidance on public benefit and review the extent of the Society's income and reserves, the cost of the facilities it provides and the ability of residents to make payments from their own resources.

The Directors have paid due regard to guidance issued by the Charity Commission in deciding what activities the company should undertake.

### **Strategic Report**

The description under the headings "Achievements and Performance" and "Financial Review" meet the company law requirements for the Directors to present a strategic report.

### **Achievements and Performance**

The Society has continued to provide supported sheltered accommodation for older people, in accordance with its aims and objectives. The occupation rate for those houses which were open for occupation for the full year was 83% (2022: 87%) reflecting the planned gradual opening of Harberton during the year.

Within the context of the public benefit requirement, during the year under review, a number of the Society's residents were funded, in part, other than through their own resources.

The Society is subject to the oversight of the Northern Ireland Housing Executive 'Supporting People' programme, which provides financial support to qualifying residents of the Society.

### **Financial Review**

The Directors report net income for the year of £22,060 (2022: £604,443). This is after profit on sale of fixed assets of £Nil (2022: £923,238), a depreciation charge of £226,440 (2022: £50,743), and legacies and donations received of £80,873 (2022: £33,896).

## **DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONT'D)**

### **Financial Review (continued)**

The Society's principal funding source is income from residents, and this is supplemented by donations and legacies, which are received from time to time.

All of the Society's operational expenditure is incurred in the provision of accommodation and services for residents and in the promotion of the Society.

### **Reserves Policy**

The Society's policy is to hold and designate an amount of general reserves, in the form of cash at bank, equivalent to approximately four months forecast net expenditure, having regard to an anticipated level of income.

Reserves in excess of this amount are treated as designated for the upgrading and renewal of the Society's houses and adding to its housing stock when appropriate.

The policy relating to reserves is reviewed annually.

On an ongoing basis the Directors aim to generate a revenue surplus on operations which will allow for the augmentation of the company's designated reserves.

### **Risk Management**

The Directors have assessed the major risks to which the Society is exposed, in particular those relating to the operations and finances of the company. The Directors are satisfied that systems are in place to mitigate exposure to major risks. The Society manages and reviews risk through a risk management strategy and the maintenance of a risk register.

### **The year under review**

During the year the new accommodation at Harberton Hall was brought into full operation and the transfer of residents from older houses which were being de-commissioned was managed. This was achieved through excellent work and commitment by staff and by volunteers, and with the co-operation and understanding of residents and their families and friends.

### **Plans for Future Periods**

The Society will continue to plan for the upgrade and regeneration of the Society's housing stock and the services provided to meet the requirements of future generations of residents. This may involve, in some cases, replacing older housing stock and the Directors are exploring a number of options which they believe will support the objectives of the Society to provide appropriate supported accommodation for older people.

### **Structure, Governance and Management**

The Society is a company limited by guarantee and does not have a share capital. It is governed by a Memorandum and Articles of Association and the liability of each member is limited to an amount not exceeding £1.

At the date of this report the Board of Directors consists of nine members, being a Chairman, Deputy Chairperson, Honorary Treasurer, Company Secretary (collectively known as the Office Bearers) and five others. Three members of the Board of Directors are male and six are female. The Society has sixty-two employees.

## DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONT'D)

### Structure, Governance and Management (continued)

The Directors who served during the year or were appointed after the year end, were:

Mr TA Clements	(Chairman)
Lady C Eames	(Deputy Chairperson)
Ms KA Shearer	(Honorary Treasurer)
Mrs A Jackson	(Company Secretary)
Mr AR Alexander	
Mr DC Magee	
Mrs CA Oliver	
Mrs JA McCabe	
Ms GR Traub	(Appointed 31 March 2023)

None of the Directors has any beneficial interest in the company. All of the Directors are members of the company and guarantee to contribute £1 in the event of winding up.

The full Board of Directors meets at least quarterly; in between such meetings the Office Bearers and other Directors discharge a number of responsibilities delegated by the Board. The day to day management of the Society is the responsibility of the Chief Executive, who reports on a regular basis to the Office Bearers.

New Directors are appointed by the Board, having regard to the need for the Board as a whole to have a proper range of relevant skills, experience and characteristics. The Chairman, Deputy Chairperson, Honorary Treasurer and Company Secretary are appointed by the Board. New Board members are inducted by the Chairman and other Office Bearers as well as the Society's Chief Executive. They are introduced to the aims, policies and procedures of the Society (and the Abbeyfield movement) through its manuals and general information on the Society's activities. The most recently appointed Director brings a wide range of relevant experience to the Board.

All members of the Board are volunteers and, as stated in the audited accounts, no remuneration is paid to any Director of the charitable company (Note 9). There are many volunteers, who, as House Friends, complement the work of the Society's Directors and staff, by giving friendship and support to residents.

The Society is affiliated to and is a Member Society of The Abbeyfield Society, a company limited by guarantee which does not have a share capital, having its registered office at Abbeyfield House, St Peter's House, 2 Bricket Road, St Albans, Hertfordshire; company number 574816, registered charity number 200719. As a Member Society, the Society agrees to adopt and work in accordance with the Guiding Principles and the established standards of The Abbeyfield Society.

### Key Performance Indicators

The Society aims to:

- Generate an operating cash surplus which will allow the Society to meet financing commitments and for the continued development of the Society to benefit older people. The Directors use a surplus of 5% of income over operating expenses before financing requirements as a guideline. In the current period this metric amounted to 7.6% of income.
- Achieve an occupancy level, over all houses, of 90% (previously 85%), having completed new developments in the current financial year.
- Be compliant with the standards and requirements of the NIHE Quality Assessment Framework.

**DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)  
(CONT'D)**

**Environmental Matters**

The Society recognises its corporate responsibility to carry out its operations while minimising environmental impacts. The Board's continued aim is to comply with all applicable environmental legislation, prevent pollution and reduce waste wherever possible.

**Auditor**

The auditors, Harbinson Mulholland, have indicated their willingness to continue in office, and in accordance with the company's articles, a resolution proposing that they be reappointed as auditor of the company will be put at a General Meeting.

**Disclosure of information to Auditor**

Each of the Directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Directors' report, including the strategic report, was approved by the Board of Directors.

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**Mr TA Clements (Chairman)**

Director

Dated:.....

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**Ms KA Shearer (Treasurer)**

Director

Dated:.....